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IV

Japan

Hashimoto Arrives in Beijing; To Meet Li Peng

OW0801114491 Tokyo KYODO in English 1136 GMT 8 Jan 91

[Text] Beijing, Jan. 8 KYODO—Japan's Finance Minister Ryutaro Hashimoto arrived in Beijing Tuesday afternoon to meet with Premier Li Peng, Finance Minister Wang Bingqian and other Chinese leaders during his four-day visit.

Barring then Education Minister Kosuke Hori's visit to Beijing in September last year to attend the opening ceremony of the Asian Games, Hashimoto is the first Japanese cabinet minister to visit here since the military crackdown on pro-democracy demonstrators in Beijing's Tiananmen Square in June 1989.

Hashimoto is to meet with Li and Wang on Wednesday to discuss economic cooperation between the two nations, his aides said.

Hashimoto believes that China must proceed further with its reform plans, including its open-door policies, to resume its role in the international economic community, they said. Thus, he is expected to talk to Li to see how far he plans to take the reform process.

It will be Li's first meeting with a Western or Japanese top-ranking official since the Chinese Communist Party's Central Committee plenary meeting late last year.

Hashimoto will arrive back in Tokyo Friday night after meeting with State Planning Commission Minister Zou Jiahua on Thursday.

To Discuss Resumption of Loans

OW0701135591 Tokyo KYODO in English 1236 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Japan is studying the possibility of resuming lending by the Export-Import Bank of Japan to finance natural resource development in China in a step toward full economic support to that country, government sources said Monday.

Such financing has been frozen since the Tiananmen incident in June 1989. Japan had also suspended an 810 billion yen package of five-year development loans to China, but resumed part of it last November following Prime Minister Toshiki Kaifu's announcement at the Houston summit last year.

The sources said Finance Minister Ryutaro Hashimoto will discuss resumption of the government bank's lending when he visits China from Tuesday.

Among Chinese leaders, Hashimoto is slated to meet Communist Party General Secretary Jiang Zemin, Premier Li Peng, and Finance Minister Wang Bingqian, they said.

The sources said Hashimoto will try to confirm China's intent to proceed with reform plans, including open-door policies, and the new five- and 10-year economic and social plans adopted last month by the Communist Party's Central Committee.

Hashimoto's visit will mark the first official visit by a Japanese cabinet member since China's military crackdown on pro-democracy demonstrations in Beijing in June 1989.

The government sent then Education Minister Kosuke Hori to Beijing in September last year to attend the opening ceremony of the Asian Games, but government officials said no meetings had been arranged between Hori and Chinese leaders.

According to the sources, Japan wants to avert possible criticism from other industrial nations over its economic support to China against a ban on official contracts with Beijing agreed upon at the Paris summit of seven industrial nations in 1989.

Hashimoto, mindful of repercussions from other industrial nations, will explain the situation in China when he attends a meeting of finance policymakers from the Group of Seven nations slated for later this month, the sources said.

JSP's Takako Doi To Visit Baghdad 12-14 Jan

OW0801083491 Tokyo KYODO in English 0817 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO - Japan Socialist Party (JSP) leader Takako Doi will visit Baghdad from January 12 to 14 and hopes to have talks with Iraqi President Saddam Husayn on ways to peacefully resolve the Persian Gulf crisis, JSP officials said Tuesday. Her visit ends on the eve of the January 15 deadline set by the U.N. Security Council for Iraq to withdraw from Kuwait.

The officials said the JSP, Japan's largest opposition party, decided on the visit at an urgent executive meeting Tuesday, although there is no word yet from Baghdad as to whether the Iraqi Government will receive the delegation.

Doi expressed her wish to meet Husayn in a meeting with the Iraqi ambassador to Tokyo, Rashid al-Rifai, on Sunday. The Iraqi envoy promised to relay her message to the Baghdad Government. JSP officials said Doi will lead a six-member delegation, including Vice Chairwoman Sanae Kubota.

Doi will leave Tokyo on Wednesday and will travel to Iraq via Paris, where she plans to meet French President Francois Mitterrand to exchange views on the Gulf crisis.

Spokesman on Nakayama's U.S. Trip, Gulf Efforts

OW0801113691 Tokyo KYODO in English 1053 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO—Foreign Minister Taro Nakayama will meet with U.S. Secretary of State James Baker in Washington on January 14 to discuss the Persian Gulf crisis and pledge increased Japanese defense burden-sharing, a Foreign Ministry spokesman said Monday.

Nakayama's visit to the United States January 13-17 will also include meetings with other Bush Administration officials and members of congress, said Press Secretary Taizo Watanabe. Sources said Nakayama will likely meet with U.S. Trade Representative Carla Hills.

Nakayama's talks with Baker will come five days after talks on Wednesday between Baker and Iraqi Foreign Minister Tariq 'Aziz and just before the January 15 deadline set by the United Nations Security Council for Iraq to either withdraw its forces from Kuwait or face possible eviction by multinational forces massed in Saudi Arabia.

Watanabe said Baker is expected to brief Nakayama on his meeting with 'Aziz and his consultations on the Gulf crisis with members of the European Community. The spokesman also said that preparations are now being made for a special agreement to be signed between Nakayama and Baker providing for increased host-nation support by Japan for maintaining the some 40,000 U.S. forces stationed in the country.

The government intends to increase Japan's share of costs in five years' time from the current 39 percent to about 50 percent. "We are trying to be a reliable partner in this U.S.-Japan security arrangement," Watanabe explained.

Questioned on Japan's expectations of the Baker-'Aziz talks, Watanabe said, "We are watching carefully and with much serious concern...and will be on alert about whatever is going to happen or not happen in the Gulf crisis."

Watanabe declined to comment on the prospect of further Japanese financial contributions in the event of an outbreak of war, but said, "Japan is not a bystander and will not be so."

The spokesman expressed regret over interpretations by some media of remarks made Monday by Finance Minister Ryutaro Hashimoto which he said gave the impression Japan is unwilling to spend any more money for Gulf efforts.

Watanabe said that Hashimoto merely said it is difficult to make more budget appropriations within the current fiscal year ending in March, "but the government does intend to do whatever possible, depending on the situation."

"He did not say that he will not spend any more," the spokesman said.

Watanabe also denied Japanese media reports that Japan is being kept in the dark on consultations between the U.S. and the European Community on the Gulf crisis. But he would not go so far to say that Japan is "satisfied" at the current level of consultations. "The fact that, in spite of his busy schedule, Secretary Baker has decided to meet with Mr. Nakayama is a clear sign that the U.S. wishes to strengthen cooperation in the efforts in the Gulf crisis," he said.

Asked about Japan's position on the use of force against Iraq after January 15, Watanabe said, "as a member of the U.N., the government will pay respect to whatever has been agreed upon." He said that while Japan hopes for a peaceful solution, it supports simultaneuosly "the preparations for war."

Watanabe said that if war breaks out in the Gulf and the government has not yet obtained Diet approval for a legal framework for dispatching personnel abroad for U.N. peace-keeping activities, "still we will do whatever we can do."

"So long as whatever act done is construed as efforts on the part of the United Nations, the majority of Japanese would support it within the constraints of the constitution," he said.

Nakayama's Coming Trips to U.S., USSR Reported

OW0701151791 Tokyo KYODO in English 1412 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Foreign Minister Taro Nakayama will hold talks with U.S. Secretary of State James Baker on January 14 in Washington to exchange views on the Persian crisis one day before the January 15 U.N. deadline for Iraq to withdraw from Kuwait, a top Foreign Ministry official said Monday.

Nakayama is also planning a trip to Moscow later this month to pave the way for Soviet President Mikhail Gorbachev's visit to Japan scheduled for April, Foreign Ministry sources said.

Nakayama will stay in the United States for about five days from January 13 and call on President George Bush to urge him to visit Japan in early March, the Foreign Ministry official said.

The timing of Bush's trip to Japan, originally set for February, has been thrown into uncertainty because of the Persian Gulf crisis. The foreign minister will also meet U.S. Trade Representative Carla Hills during his visit, with liberalization of Japan's rice market expected to be the main focus.

While Nakayama is expected to pledge that Japan will support the United States whether peace efforts in the Gulf crisis fail or succeed, he is expected to reject U.S. requests to open Japan's rice market, Foreign Ministry sources said. Nakayama also hopes to be briefed on U.S. policy on the Gulf crisis from Baker, who is scheduled to

visit Europe and the Middle East on January 6-13 and meet Iraqi Foreign Minister Tariq 'Aziz on Wednesday in Geneva.

Meanwhile, Nakayama plans to visit the Soviet Union on January 21-24 to meet his Soviet counterpart Eduard Shevardnadze, Foreign Ministry sources said. Nakayama hopes to have talks with Shevardnadze on January 22 and January 23, and the Foreign Ministry is waiting for a reply from the Soviet Union, the sources said.

Nakayama originally planned to visit the Soviet Union from January 2 to January 5 but postponed his visit because Shevardnadze announced his resignation on December 20.

The official said Nakayama will discuss the territorial dispute with the Soviet Union during talks with Shevardnazde and it is likely that the Soviet foreign minister will visit Japan before Gorbachev's trip to Japan.

Official on Revision of Securities Pact With U.S

OW0801025491 Tokyo KYODO in English 0144 GMT 8 Jan 91

[By Shiro Yoneyama]

[Text] Washington, Jan. 7 KYODO—Japan and the United States agreed Monday to sign a revised memorandum of understanding (MOU) later this year to deter fraudulent practices such as insider trading, a senior Japanese official said.

Nobuhiko Matsuno, director general of the Japanese Finance Ministry's Securities Bureau, said the revision of the 1986 MOU is "almost in the final stage." Matsuno said at a news conference that the Japanese ministry and the U.S. Securities and Exchange Commission (SEC) each have some domestic procedures to deal with before completing work on a revised MOU.

In a joint statement, the two countries said: "Both the SEC and the Securities Bureau have now obtained legislation that contains new powers for implementing more effective international investigatory cooperation."

Matsuno said at a joint news conference with SEC chairman Richard Breeden that Japan's revised securities and exchange law allows the Finance Ministry to issue an order to firms or individuals in response to a request from overseas investigators.

In the joint statement, the two securities agencies said they also talked about "possible arrangements for the exchange of financial information concerning intermediaries that actively engage in securities transactions in both markets."

Breeden said Japan's move to facilitate entry of mutual fund or investment trust companies is "a step in the right direction."

The Japanese ministry has issued investment trust licenses to two British firms and a British-U.S. joint venture, and Matsuno said the fidelity group of the U.S. will be licensed later this month.

During the day-long meeting here, Breeden urged Japan to ease operational and capital regulations for potential mutual fund operators in the Japanese market. The U.S. mutual funds market is estimated at 1 trillion dollars.

Matsuno said at his news conference that the current regulations are difficult to change for now to protect customers. Breeden and Matsuno said they also discussed disclosure requirements and accounting standards. Matsuno said Japan is inclined to favor "reciprocal recognition of disclosure documents" as a "more realistic approach" than a unified disclosure document.

On this subject, the SEC and the Japanese agency said in their joint statement, "gradual development of this process should be accompanied, where necessary or appropriate, by parallel development of common minimum standards."

The fifth annual meeting between the two agencies also touched on ways to enhance market stability and improve oversight of both securities and derivative markets under the auspices of the International Organization of Securities Commissions.

Commenting on reform of the U.S. Glass-Steagall Act which separates banking and securities operations, Breeden told the Japanese delegation that the U.S. is poised to simplify the heavily complicated domestic banking system, according to a senior Japanese official.

The official said Breeden also said at the meeting with the Japanese group that the U.S. will not follow the European precedent in adopting a universal banking system under which banks and brokerage houses can engage in each other's business.

Restraint on Car Exports to U.S. To Continue

OW0801083691 Tokyo KYODO in English 0807 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO—Japan will extend its voluntary restraint on car exports to the United States for one more year, sources at the Ministry of International Trade and Industry (MITI) said Tuesday. Miti will soon formalize the decision and announce it, the sources said.

International Trade and Industry Minister Eiichi Nakao told a press conference earlier in the day that any decision on the issue is yet to be made. But a senior MITI official strongly suggested to extend the self-imposed export restrictions for another year, saying if Japan stops the practice, "that will be perceived by Washington as the gauntlet thrown down."

MITI came to the conclusion that the limits must be continued if Tokyo wants to avoid a deterioration in bilateral relations, the sources said.

Japan began the voluntary export restraints in 1981 to give the U.S. automakers some relief when they were being hurt by a rapid increase in Japanese car exports. Japan put a limit on annual exports at 1.68 million vehicles.

Tokyo originally intended to lift the restriction after three years, but has retained it for diplomatic reasons, although the annual quota has been raised twice to the current level of 2.3 million vehicles.

The Japanese auto makers are now arguing the restriction has outlived its usefulness, as car exports to the United States are now falling short of the quota, due mainly to their shift of production to the United States.

Japan's car exports to the United States amounted to 1.95 million vehicles in fiscal 1989, ended March last year.

Business Groups To Send Medicines to USSR

OW0701183891 Tokyo KYODO in English 1310 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Four Japanese business organizations, including the Federation of Economic Organizations (Keidanren), have agreed to send 50 million yen worth of medicines to the Soviet Union, the head of Keidanren said Monday.

Keidanren Chairman Gaishi Hiraiwa said the organizations offering the medicinal aid are the Japan Chamber of Commerce and Industry, the Kansai Economic Federation, the Japan-Soviet Business Cooperation Committee, and Keidanren.

Hiraiwa said, however, that Japan should extend large-scale economic cooperation like aid to develop natural resources in the Soviet Union only after the conclusion of a peace treaty with the Soviet Union.

The leaders of three other major business federations, including the Japan Federation of Employers Associations, said they concurred with Hiraiwa's view.

Keidanren and the three major business organizations expressed their opinions at a joint news conference following a New Year's reception held in Tokyo.

The extension of the medicinal aid will be announced at a joint meeting of the Japan-Soviet Business Coooperation Committee to be held in Tokyo later in the month, they said.

MITI To Send Missions to USSR, East Europe

OW0701184991 Tokyo KYODO in English 1341 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—The Ministry of International Trade and Industry will send three separate economic research missions to the Soviet Union and Eastern Europe starting this month, ministry officials said Monday.

The first mission will visit Moscow late this month to exchange views with Soviet officials in charge of improving productivity on how to apply Japan's business management skills in the new market-oriented Soviet economy, they said.

The delegation, which will be headed by Tsuneaki Taniguchi, the Japan Productivity Center's Overseas Technical Assistance Department, will also invite Soviet corporate managers if requested, the officials said.

The second mission, to be headed by Yoshihiro Tajima, professor of economics at Gakushuin University, will visit Moscow and Leningrad for a week early next month to study the Soviet distribution system, they said.

A food shortage has worsened dramatically this winter in Soviet cities due to a general breakdown in the old, centralized distribution system.

Tajima's team will hold seminars on how to improve efficiency in distribution and will express the intention of inviting Soviet officials to look into Japan's distribution system, the officials said.

The third mission, to be organized by MITI, the Foreign Ministry, and the Japan International Cooperation Agency, will go to Czechoslovakia and Bulgaria in March to choose technical assistance programs for fiscal 1991, starting in April.

The government has set aside 138 million yen for such projects in Eastern Europe under the fiscal 1991 budget, which remains subject to Diet approval.

The delegation to the East European countries will conduct hearings on each nation's requests in order to reflect their needs in the fiscal 1991 assistance program, the officials said.

Kaifu To Seek 'New Partnership' With ROK

OW0801021391 Tokyo KYODO in English 0035 GMT 8 Jan 91

[By Tadashi Matsumoto]

[Text] Tokyo, Jan. 8 KYODO—Prime Minister Toshiki Kaifu goes to Seoul on Wednesday for talks with President No Tae-u aimed at forging a new partnership between Japan and South Korea in the post-cold war era.

Japanese Foreign Ministry sources said they hope the two-day trip, Kaifu's first to South Korea since coming

to office in August 1989, will lead to the clearing up of the legacies of Japan's 1910- 1945 colonial rule of the Korean peninsula. Kaifu will have two rounds of talks with No on a wide range of issues, both regional and bilateral.

At the top of the agenda, ministry sources said, are Japan's moves toward diplomatic rapprochement with North Korea, the legal status of Korean residents in Japan, South Korea's trade deficit with Japan, and the transfer of Japanese technology to South Korea.

With formal talks between Japan and North Korea on the normalization of diplomatic relations set to begin in Pyongyang later this month, the North Korea question takes on added importance in Kaifu's trip.

While a Foreign Ministry official has flatly denied that Kaifu's talks in Seoul will focus on North Korea, diplomatic analysts take a different view. Masaru Ikei, professor at Keio University and an expert on the history of Northeast Asia, said Kaifu will undoubtedly want to know to what extent Seoul will be able to tolerate Tokyo's drive to seek a rapprochement with Pyongyang.

South Korea, wary that a swift improvement in relations between Tokyo and Pyongyang might jeopardize its own dialogue with North Korea, has said Japan should take a cautious approach in its negotiations with the North.

Seoul has set out five conditions for the normalization of diplomatic ties between Tokyo and Pyongyang, and No will seek to draw a pledge from Kaifu that the Japanese Government will observe those ground rules, Ikei said.

These five conditions include North Korea's acceptance of inspections by the International Atomic Energy Agency (IAEA) of its nuclear development facilities; coordination of Tokyo-Pyongyang negotiations with the process of inter-Korean dialogue; and an assurance from Tokyo that its economic aid to North Korea will not help Pyongyang boost its military capability.

Former Deputy Prime Minister Shin Kanemaru, an influential politician within Japan's ruling Liberal Democratic Party, accepted the five-point demand in a meeting with No in Seoul last October. The Kanemaru pledge came 10 days after he returned from Pyongyang in a historic trip that resulted in an agreement to open negotiations on the establishment of diplomatic relations between Japan and North Korea.

On bilateral issues, Kaifu is expected to brief No on the policies his government plans to adopt to improve the legal status of Korean residents in Japan, including the fingerprinting requirement. The Japanese Justice Ministry has pledged to introduce a family registry system in 1993 as a substitute for the fingerprinting requirement for the 680,000 Koreans, as well as the 300,000 other foreign residents in Japan.

Japanese law at present requires all foreigners over 16 living in Japan for more than a year to provide the print of their right index finger on an alien registration certificate, which they must carry with them at all times. The Justice Ministry proposal to abolish fingerprinting and introduce family registers for foreign residents has drawn a mixed reaction from the Korean community in Japan.

Han Ki-taek, a 32-year-old Korean fingerprint refuser, accused the Japanese Government of trying to assimilate the Korean people through the family register system. He said it would mean the signatures and photographs of Koreans of up to three generations being kept in government records.

On the other hand, Son Chung-in, director of the international bureau of the pro-Seoul group Mindan (Korean residents union in Japan), said he appreciated Japan's promise to scrap the fingerprint requirement for Korean residents in Japan. He said the Japanese Government should make provisional measures to waive the fingerprinting requirement for Korean residents from January 16. That is the expiry date for a period of consultation between Japan and South Korea on the legal status of Korean residents, as stipulated in the 1965 treaty which led to the establishment of diplomatic relations between Japan and South Korea.

Son said Koreans will be able to live in Japan under Japanese cultural and social traditions while retaining their pride in their Korean nationality if Japanese laws apply equally to both Japanese and non-Japanese residents. Son also called on the Japanese Government to redress South Korea's deficit in trade with Japan—totaling 3.5 billion dollars in 1989—by transferring Japanese technology to South Korea. He urged Japan to widen opportunities for Korean residents in Japan to be employed by local governments as well as in state schools.

Only about 300 Koreans work for local governments in Japan, including medical doctors and nurses, and some 30 others are employed on a contract basis as teachers in state schools.

Son said he hopes Kaifu's visit will lead to a "final settlement of accounts" on the legal status of Korean residents in Japan and to a new chapter in the relationship between South Korea and Japan.

Kaifu 'May' End Fingerprinting Ahead of Time

OW0801050591 Tokyo KYODO in English 0302 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO—Prime Minister Toshiki Kaifu may make a political decision to bring forward the date for ending the fingerprint requirement for Korean residents in Japan to the fall of 1992, from January 1993 as originally planned, government sources said Tuesday.

Kaifu will indicate the possibility if President No Tae-u refuses the original plan, the sources said.

The Prime Minister will leave Wednesday for Seoul on a two-day visit and hold two rounds of talks with No. High on the agenda are Japan's moves toward rapprochement with North Korea and the legal status of Koreans residing in Japan.

All Koreans aged 16 or older, who account for 680,000 of the entire 980,000 foreign residents in Japan, are fingerprinted under the Alien Registration Law. Korean residents are those brought to Japan as forced labor before World War II and their descendants.

Japan-ROK Committee Submits Report to Kaifu

OW0701094291 Tokyo KYODO in English 0845 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Japan and South Korea should seek to reduce their historical animosity by jointly assessing the way their past relations are dealt with in their respective educational systems, a report submitted to Prime Minister Toshiki Kaifu on Monday said.

The report by the Japan-South Korean 21st Century Committee said that a nongovernmental joint research committee should be formed with the aim of probing the two countries' different approaches to their sensitive past in the classroom.

The report, which comes ahead of Kaifu's two-day official visit to Seoul beginning Wednesday, was presented to the prime minister by Ryozo Sunobe, the Japanese cochairman of the committee and Japan's former ambassador to South Korea.

The report warned that the "great gap" in the two countries' awareness and handling of their past history serves as an obstacle to present ties and, if not rectified, bodes ill for future ties. Specifically, the report expressed concern that many Japanese people, especially youths, remain ignorant of or indifferent to imperial Japan's 1910-1945 colonization of the Korean peninsula.

A survey carried out in late 1989 showed that one in five Japanese polled by the committee either had forgotten the episode or was never aware of it to begin with, it said.

In stark contrast, the report noted, most South Koreans have maintained a keen sense of awareness and continue to feel strong resentment over the 36 years their country suffered under Japanese colonial rule. Concern was also voiced in the report over the fact that negative feelings toward Japan become ingrained in South Koreans from an early age as a result of that country's educational stress on the colonial episode.

While affirming the importance of instructing young South Koreans in the dark period of bilateral relations, the report cited a need to stress simultaneously the importance of overcoming it and constructing a close and cooperative bilateral relationship.

The report said that in addition to setting up a new committee to study the gap in historical perceptions, other remedial measures should be taken such as the promotion of reciprocal visits of social studies teachers and exchanges of students.

Among the committee's other recommendations was a call to set up a Japan-South Korea committee for the promotion of exchanges and cooperation, in which members of both the public and private sectors would gather to resolve various bilateral problems and discuss cooperative schemes.

It also called for the formation of a science and technology cooperation committee to promote transfers of Japanese expertise to South Korea and an Asian science and technology cooperation foundation to facilitate the transfer of the two countries' expertise to developing countries in the region.

More effort should be put into promoting the Korean language as a second language for Japanese university students, the report said. It also called for a speedy resolution of lingering bilateral issues such as the legal status and treatment of Korean residents in Japan.

The 21st Century Committee is a product of the February 1988 summit meeting between the then Japanese Prime Minister Noboru Takeshita and South Korean President No Tae-u.

The committee, which consists of nine members on each side from the private sector, aims to work on ways of promoting bilateral ties from a long-term perspective. It met last December for the fifth time since its inception, after which it began compiling the report for submission to the two countries' governments.

Korean Youths Begin Human Rights Hunger Strike

OW0601132591 Tokyo KYODO in English 1251 GMT 6 Jan 90

[Text] Tokyo, Jan. 6 (KYODO)—Members of a Korean youth group began a hunger strike here on Sunday to dramatize their fears that Prime Minister Toshiki Kaifu will sign an ambiguous agreement with South Korean President No Tae-u this week leaving many of their human rights demands unfulfilled.

Seven members of a youth group affiliated with the pro-Seoul Korean Residents Union in Japan began what they called the unlimited hunger strike in Tokyo after 10 members of the same group held a similar strike Friday and Saturday in Osaka.

Earlier Sunday, the group held a rally at Sukiyabashi Park in central Tokyo attended by 100 people demanding that the Japanese Government improve the legal treatment of Korean residents.

Kaifu, due to visit Seoul on Wednesday and Thursday, is expected to tell No that Japan will stop fingerprinting South Korean residents in 1993. But "fingerprinting is

not the only issue," group leader Kim Kyong-pil told the rally. "Our right to live like human beings, with our ethnic identity respected, must be guaranteed."

Members of the youth group said they are afraid Kaifu and No will reach a "political settlement" neglecting such important issues as education in the Korean language and history and whether Korean residents should be allowed to vote in Japanese local elections. The strikers also appealed for an end to discrimination in employment.

The group plans to stage a 100-car parade through Tokyo on Monday appealing for support for their cause.

Koreans, many of whom were brought to Japan against their will during Tokyo's colonial rule of the Korean peninsula from 1910-1945, account for 680,000 of the 980,000 foreign residents in the country.

Sumitomo Opens Offices in Hanoi, HCM City

OW0701100091 Tokyo KYODO in English 0917 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Sumitomo Corp. said Monday it has set up offices in Hanoi and Ho Chi Minh [HCM] City in Vietnam, with an eye to budding business opportunities in the untapped market.

The foray marks the second entry there by a Japanese trading house since the end of the Vietnam war in 1975, following that by Nissho Iwai Corp. in 1986.

Sumitomo is one of the many companies in Japan and other industrialized countries which are rushing to the oil-rich Indochinese nation ahead of Washington's lifting of economic sanctions, anticipated in the second half of this year.

Mitsubishi Corp. and Marubeni Corp. are expected to obtain permission to open offices in Vietnam as early as the end of January.

Kaifu To Focus on Political Reform, Soviet Ties

OW0701125391 Tokyo KYODO in English 1239 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Prime Minister Toshiki Kaifu will devote himself to tackling political reform and improvement of Soviet-Japan relations in the remaining 10 months of his tenure, chief government spokesman Misoji Sakamoto said Monday.

Sakamoto, the chief cabinet secretary and Kaifu's chief of staff, was speaking to the press on the occasion of his retention in the job in the year-end cabinet reshuffle. He told reporters that the prime minister will accomplish his duties, without considering his tenure, which expires in October.

Kaifu pledged at the news conference after the cabinet reshuffle to make political reform and political ethics the focus of his new cabinet, the third since he came to office in August 1989.

Sakamoto touched upon the Diet, which in November rejected the government's United Nations Peace Cooperation Bill that would have allowed the dispatch of noncombat military personnel overseas, and said the government plans to make a second attempt to pass the bill at the regular diet sessions to be resumed in late January. He also said the cabinet will try to draw up a new bill based on a November agreement between the ruling Liberal Democratic Party and two middle-of-the-road opposition parties, Komeito and the Democratic Socialist Party.

The broad agreement rejected participation by Japan's military in overseas operations, but said that Japan should offer personnel for nonmilitary service.

Touching on Soviet President Mikhail Gorbachev's visit to Japan scheduled for April, Sakamoto expressed his strong desire for settlement of the territorial dispute between the two nations.

Sakamoto also referred to the Uruguay round of multilateral trade negotiations to be resumed on January 15, stressing that the government will maintain its policy to fully provide rice for itself.

Kondo Denies Liberalization of Rice Market

OW0801060891 Tokyo KYODO in English 0429 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO—Agriculture, Forestry and Fisheries Minister Motoji Kondo on Tuesday contradicted remarks made Monday by a top-ranking government official indicating possible liberalization of Japan's rice market.

"The remarks should not be taken as indicating a change in Japan's rice policy," Kondo said at a press conference after a cabinet meeting.

Chief Cabinet Secretary Misoji Sakamoto said Monday that Japan will inevitably make a political decision on the rice problem if the United States and the European Community compromise over farm subsidies, the stickiest issue at the ongoing Uruguay round of global trade talks.

Commenting on reports that Clayton Yeutter is resigning as Agriculture Secretary, Kondo also said the development will not affect Japan's insistence on protecting its rice market.

Inamura Resigns From Diet in Wake of Tax Charges

OW0801081491 Tokyo KYODO in English 0801 GMT 8 Jan 91

[Text] Tokyo, Jan. 8 KYODO—Toshiyuki Inamura, a former cabinet minister charged with evading taxes on

income earned through speculative stock trading, resigned his membership of the House of Representatives on Tuesday.

Inamura, 55, former director general of the Environment Agency, submitted his resignation to House Speaker Toshio Sakurauchi on Tuesday afternoon through the Liberal Democratic Party (LDP). The resignation came 12 days after prosecutors indicted him for allegedly evading 1.7 billion yen in taxes on 2.81 billion yen in income from 1986 to 1988. Inamura has also resigned from the LDP, cutting the ruling party's strength in the 512-member Lower House to 281.

Inamura, a member of the Lower House from Tochigi Prefecture since 1969 and head of the Environment Agency in 1986 and 1987, was charged with violating the income tax law, which provides for up to five years in prison for tax evasion. Inamura was accused of failing to report 2.81 billion yen in income on the stock market from 1986 to 1988, mostly through transactions with Mitsuhiro Kotani, an accused stock market speculator.

Inamura was a close associate of Kotani, head of the Koshin Group of stock speculators, who is now on trial for allegedly masterminding illegal insider stock trading. Inamura filed a revised tax return December 14, two weeks before his indictment.

New Year Interview With JSP Chairwoman Doi

OW0501072191 Tokyo NHK General Television Network in Japanese 2330 GMT 1 Jan 91

[New Year interview with Japan Socialist Party, JSP, Chairwoman Takako Doi by Takashi Yamamoto and Miuki Morita in Tokyo on 1 January—recorded]

[Text] [Yamamoto] Happy new year, Chairwoman Doi. This is the first time I have seen you wearing a kimono.

[Doi] Yes, this is the first time I have worn a kimono. It is a little tight. This cloth was made in Kyoto and dyed with the sujiga flower. It is called yoshun. A dyer asked me to come to Kyoto to pick up the cloth after he prepared it for me during these busy year-end times.

[Morita] Chairwoman, we make it a practice to tell listeners about the first book the interviewee plans to read this year. Mrs. Doi, what book do you plan to read first this year?

[Doi] I started one yesterday called "Powershift" by Alvin Toffler. This book is a best seller in several nations. I meet Mr. Toffler whenever he visits Japan. He recently gave me an autographed copy of this book. Of course, the book is in English. I plan to devote ample time to reading it. [Morita] "The Third Wave" was hard to read. What about this one?

[Doi] Yes, it was very hard to read that book. Compared with "The Third Wave," this one is easy.

[Morita] You must have scant time for reading books.

[Doi] You are right. I think it is important to try to set time aside for reading.

[Yamamoto] Now, I would like to ask some questions. Regarding Japan's responses to the Gulf crisis, the 15 January deadline for Iraq's withdrawal from Kuwait draws near. The JSP is insisting that the Gulf crisis should be settled peacefully. It worked out a proposal for Middle East reconciliation in late December. The proposal incorporated various plans. Does the proposal contain any concrete plan to send teams to join the international forces?

[Doi] Regarding the dispatch of teams to the UN forces, we have to watch how they undertake their future activities. Our party has repeatedly made requests in this regard. I am concerned about the crisis. People all over the world are greatly concerned about the crisis. We should not allow war to break out. All possible efforts should be undertaken to settle the crisis peacefully through dialogue without resorting to war. I am increasingly concerned about the crisis as the deadline draws near. I think that there are various ways of settling the crisis. Once war breaks out, it would result in the loss of innumerable human lives and plunge the entire world into great chaos. When we consider this, it is clear that we should not allow war to break out, no matter how hard it may be and no matter how much time we may need.

We have to concentrate on progress in the Iraqi-U.S. dialogue. It is important to defuse the crisis through such dialogue. The UN resolutions call for, among other things, the withdrawal of Iraqi troops from Kuwait, do they not? Multinational forces should pull out at the same time. Taking these points into consideration, it is necessary to create a situation in which various difficult issues pending between Iraq and Kuwait can be resolved without resorting to the use of force.

Needless to say, the Palestine issue is key to peace in the Middle East. Our party has been calling for an international conference on peace in the Middle East. As you are aware, French President Mitterrand made a peace proposal for the Middle East at the United Nations on 24 September. Our party fully supports the proposal.

Our party has mulled over future concrete measures. I sent a personal message to President Husayn late last year. In the message, I asked President Husayn to give serious consideration to the fact that popular opinion all over the world demands Iraq's withdrawal from Kuwait, as evidenced in the UN resolutions.

[Yamamoto] You will continue to make similar requests to the nations involved?

[Doi] You are right. I plan to contact French President Mitterrand, Socialist International Chairman Brandt, and PLO Chairman 'Arafat. I will do everything possible to contribute to defusing the crisis.

[Yamamoto] I would like to shift our subject to Diet affairs. There was an agreement among three political parties on drafting a new bill on Japan's international contributions after the UN Peace Cooperation Bill was killed in the Diet. The JSP did not join in the agreement. Does the JSP plan to submit its own bill to a regular Diet session?

[Doi] I have to say something before answering your question. Although the stated purpose of the UN Peace Cooperation Bill was cooperation with the United Nations, the true intent of the bill was to pave the way for sending Self-Defense Forces [SDF] personnel abroad. Therefore, our party did its best to kill the bill. The people voiced their vehement opposition to the bill from their standpoint of safeguarding the peace-oriented Constitution; this ended in the bill's death. I cite the people's opposition as a major reason for the death of the bill. I was very impressed. Given the people's opposition, the two key factors of the peace-oriented Constitution and Japan's policy of recognizing the importance of the United Nations should not be ignored when we examine what contributions we might make to UN peacekeeping activities.

Regarding the agreement reached among the three parties, I hope that the three parties will promote the agreement in that direction. Our party thinks Japan's cooperation with the United Nations should be a scheme under which Japanese civilians can cooperate with civilians of other nations in nonmilitary areas. Our party has already worked out the outline of a bill. On 29 December, our party released a summary of the bill; the summary will be used for drafting a final bill. I hope that other opposition parties will study the summary. In particular, our party has tried to discuss the contents of the summary with Komeito. Our party plans to draft a better bill after listening to various views.

[Yamamoto] The JSP bill and the agreement among the three parties call for creating an organization separate from the Self-Defense Forces which could provide humanitarian relief aid to nations suffering from natural disasters. Hence, it seems that there are some common points between the bill and the agreement.

[Doi] I think that we should create a group separate from the SDF. We should not create an organization which takes a military-like position. We should pay attention to this point.

[Yamamoto] You mean that the organization must not be armed by any means? Komeito is also making statements based on that standpoint.

[Doi] Yes, it looks like it. I believe that the party is thinking along the same lines as we are. I would like to have further talks with them.

[Morita] About the consumption tax—revision of the consumption tax has been abandoned; the tax will remain in effect through 1991. Regarding this development, organizations like Rengo are very critical and are asking if the JSP should not have started revising the tax with the portion on which ruling and opposition parties could agree. What is your view?

[Doi] It should not be necessary to explain, but, as you know, they [the Liberal Democratic Party] reneged on their election promise in instituting the current consumption tax system. Many problems and defects have been uncovered since it came into force. The major one, no doubt, is its disproportionate nature. We believe that we must eliminate the consumption tax itself in order to eradicate these problems and defects. We made efforts toward this goal.

Meanwhile, it is also true that a bill to scrap the consumption tax can never expect to pass the existing Diet. On the other hand, there is the question of whether we should accept the status quo. There are people, the consumers, who ask if we will accept this as part of next year's budget or the following year's budget. They are asking us to do something about this.

Consequently, we are beginning to think about taking an emergency measure, perhaps an emergency revision of the system. We are thinking that we should participate in negotiations between the ruling and opposition parties to discuss the revision. We do not oppose such negotiations and arriving at a revision agreement. This has been thought of as an emergency measure.

[Yamamoto] Are you saying that even when the question of exempting food from taxation is not settled, emergency revision of the tax law should be sought?

[Doi] That is not correct. What I want to say ... [changes thought] I would like to point to the figure of 1,135 billion yen. To explain what this figures means, the LDP has announced plans to review the tax on foodstuff in anticipation of the consumption tax. Under the plans, the tax on foodstuff was to be lowered by 1.5 percent at the distributive stage and to be exempted at the retail stage. The amount to be accrued from these tax cuts was expected to reach 1,135 billion yen. I now estimate the per capita tax cut at approximately 10,000 yen. The LDP this time abruptly scrapped the plans and called upon us to agree only on reviewing the tax on profits and investment profits, saying that if we do not agree, nothing can be done. This is what the LDP has been doing. In my rough estimate, the tax on profits and investment profits stands at approximately 148 billion yen, or nearly one-tenth of 1,135 billion yen with the per capita tax cut reaching about 1,000 yen. Thus, the LDP has come to take a position of scrapping the announced plans and of keeping the tax on foodstuff intact without thinking of how to review the tax. The LDP is also insisting that it will not consider reviewing the tax on foodstuff even under the emergency tax system. The LDP has asked us to agree on the review of the tax on profits and investment profits with the apparent aim of keeping us responsible, saying that this is a bill initiated by legislators. Foodstuff is affected most by the retrogressive tax. If no

measures are taken, the emergency tax system may become shameful in view of its purpose.

[Yamamoto] There is a view within other parties that the JSP intends to make the consumption tax a focal point n the forthcoming unified local elections.

[Doi] That is not correct.

[Yamamoto] Then, you mean that the LDP takes such a view?

[Doi] Yes, you are right in view of the LDP's previous attitude. At the party head talks held between myself and Prime Minister Kaifu late last year, I took up this question and told the prime minister: As the ruling and opposition parties are about to stand on a stage on which they can further their dialogue, the LDP asks us to stand together on the stage in a retrogressive manner after scrapping its announced plans. This conflicts with promises made by the LDP. Let us begin dialogue as soon as possible. We should discuss how to handle the tax on foodstuff with the aim of figuring out better ideas through dialogue. In response, the prime minister said that he agreed with my proposal. The prime minister also added that if the ruling and opposition parties reach an agreement on this matter, the government will undertake efforts to implement the agreement quickly and with sincerity. Hence, I intend to do my best to have the tax on foodstuff cut within this year. I am thinking of bringing something pleasant to the people.

[Morita] My question concerns the land issue. The JSP is opposed to taxing land under the New Land Ownership Tax. What points do you think are problems?

[Doi] The New Land Ownership Tax originally was aimed at lowering and stabilizing land prices, was it not? I believe that no one thinks land prices have been lowered by this tax system. [Doi laughs] Among other things, the government's tax survey activities have become stagnant. Tax rates and basic tax reduction have been lowered. Under these circumstances, land prices will not be lowered and stabilized by the tax system. Four opposition parties agreed to submit a bill on the basic land law to the Diet after drafting the bill. The Land Ownership Tax was enacted with the aim of enforcing the Basic Land Law. In view of this fact, the government's recent moves for tax on land are problematic. I cannot but feel that the New Land Ownership Tax remains devoid of significant substance. I think that it may be necessary to think of imposing taxes on income from high-priced land, their ownership, and corporate-owned land. We plan to push for the legislation of a basic housing law. Those who work hard cannot afford to buy their houses. Lately some people are in a situation where they cannot even secure dwelling. I think of legislating the basic housing law with the public housing system in mind. Because four opposition parties have a part in legislating the Basic Land Law, they will be able to examine this question together.

[Yamamoto] Political reform has various problems. In particular, there is the question of redressing the fixed number of members in the House of Representatives. The interim report of a recent national census points to furthering the unconstitutional state. Although there is a Diet resolution, how are you going to grapple with this question?

[Doi] As you have pointed out in your question, I think that any argument for reforming the electoral system in the name of political reform may be out of order. Because you asked this, I will answer. The 1986 Diet resolution you have just mentioned called for abolishing two-seat and six-seat constituencies on the premise that the total number of seats is set at 511. At the time of adopting the resolution, the speaker definitely said that the small constituency system would not be adopted. Because this is a resolution adopted by the Diet, the government and the LDP alone cannot reverse it or act against it. I must say that this should not be recognized. I have found differences in the number of votes by constituency increasingly widening nationwide in the currently published interim report of the national census. There was a ruling handed down by the Supreme Court, and I think that it is important to grapple with this question with the Diet resolution in mind.

[Yamamoto] The LDP plans to redress the fixed number in the course of reforming the electoral system. Your party absolutely will not go along with the plan; am I right?

[Doi] Our party is opposed to the introduction of a small constituency system. Under the present electoral system, 80 percent of the seats can be secured with approximately 40 percent of the votes, and various data back up these figures. It is difficult to say that we have an electoral system under which public opinion can be reflected fairly. The electoral system is the basis for democratic politics. In view of this fact, I cannot help but say that the present electoral system is unconstitutional.

[Yamamoto] At the time of increasing one constituency in eight overly populated constituencies and of decreasing one constituency in sparsely populated constituencies, there were many difficulties.

[Doi] Yes, there were.

[Yamamoto] This time, if the intention is to review constituencies where more than a two-times vote difference exists, 80 percent of constituencies would be subject to the review. It seems to me that it is very difficult to do this.

[Doi] The LDP plans to create 300 small constituencies. Regarding the question of redressing the fixed number you have just mentioned, roughly 52 constituencies would be subject to the redress of the fixed number, although there are various methods to compute correct figures and these figures were recently published. If the

LDP has energy to think of creating 300 small constituencies, I believe that the question of redressing the fixed number naturally can be resolved. What do you think? [Doi laughs]

[Yamamoto] Will there be any counterproposal from opposition parties?

[Doi] Regarding the question of redressing the fixed number, as I have said a while ago, our party plans to move toward a solution to the question in line with the Diet resolution. Our party also plans to think of how to grapple with the question. There is an idea of resolving the question by city and prefecture. With this idea taken into consideration, our party plans to seek desirable ways to redress the question as an immediate task in line with the Diet resolution. As a long-term task, I think that it is important to initiate work aimed at reforming the electoral system centering on the proportional representation system and others.

[Morita] Last year, an incumbent legislator was indicted on suspicion of evading taxes. How does the JSP plan to tackle the question of establishing political ethics?

[Doi] I believe that this is the basis of political reform, is it not? The trial on the Recruit financial scandal is under way. The people have asked us to take measures one way or other in the wake of the financial scandal. The Diet and the government were expected to work vigorously on political ethics. As you have said a while ago, however, former Environment Agency Director General and legislator Inamura was indicted on the suspicion of undertaking illegal stock transactions and evading a huge amount of taxes. As far as I know, this scandal has become a topic. I have been asked about the handling of this scandal wherever I have visited. People have told me that they are taken aback and have nothing to say. They also have told me that they have come to hate working hard and paying taxes. I think that they told me these things with seriousness. Their confidence in politics and politicians has been undermined to this extent. I think that the question of establishing political ethics is the foremost task to be undertaken in political reform. I believe that if the LDP attaches importance to the small constituency system and sets aside this question, this will undermine further the people's confidence in political ethics and politicians. Concerning the question of political ethics, our party has submitted a bill on this to the Diet and has worked on the passage of the bill.

The bill calls for a ban on bribe-like financial contributions from enterprises and on stock transactions by politicians. Among other things, we must make clear just what amount of money is received and spent. In this regard, legislators must be clearly aware that if they commit any wrongdoing, morals require that they quit as legislators.

[Yamamoto] Will you seek his resignation at the Diet?

[Doi] I think it only natural that we should seek such a thing. There is a Political Ethics Deliberation Council at the Diet. We intend to submit a strong request that a council meeting be convened to address the matter.

[Morita] I would like to ask about the local elections scheduled to be held in April. Your party made a big advance in the previous elections, riding on the sales tax issue. What is your party's campaign plan in the upcoming elections? Who will be your party's candidate in the Tokyo mayoral election, an event which is becoming a focus of attention?

[Doi] Most people reside in local communities. These communities are central places where people express various expectations on politics and submit various requests on political issues. With changes in communities come changes in the political situation, and with changes in political situations come changes in the direction of state politics.

When Japan was at the height of its economic growth in the latter half of the 1960's, local governments led by reformists grew nationwide in number. These local governments contributed to substantially improving the quality of welfare, the environment, and administrative services for the local people, thus leading state politics toward similar improvements. We keep this valuable experience in our minds. Therefore, our party intends to field as many candidates as possible in the upcoming local elections. Our party will map out its plans, taking into account the fact that when communities change, state politics subsequently also change.

I have a letter here. A high school teacher sent this letter to me concerning the question of preserving the environment and the problems of garbage disposal. In the letter, the teacher urges me to think about requiring recycled paper to be used in the making of textbooks. I plan to work together with people in the local communities to resolve various existing problems, taking into account the recommendations suggested in this and other letters.

With regard to the Tokyo mayoral election, the LDP appears to be racking its brains. Our party, too, is trying hard to find a candidate who will be acceptable to the citizens of Tokyo and who will be able to make them feel that action taken by the Tokyo municipal government can truly change state policy.

[Yamamoto] This question concerns internal matters of your party. Junior JSP legislators increasingly are speaking out, requesting that the party set forth concrete policies instead of uttering slogans and making requests.

[Doi] Yes.

[Yamamoto] For example, they are calling on the party to make its socialist democractic objectives more clear and more concrete. How do you intend to respond to this request?

[Doi] I think that they are making rational requests. I think it is important that new legislators present their views clearly with regard to what happens outside, as well as inside, the legislature. We must take care to

ensure that we do not fall down together with slogans. We hope that they will tackle with determination and confidence those issues that can indeed be resolved if the JSP only gets serious. What is most important is the issue of political ethics. Hence, I want the current Diet to tackle the problem of political ethics and to make 1991 the first year of political reform. We will be positive in presenting our plans.

[Yamamoto] What is often asked is will the JSP will ever get serious about taking over the government. In order to realize the transfer of power, I feel that cooperation with other parties will be essential. But with regard to the consumption tax issue or to the peace cooperation efforts, I get the impression that your party's relations with Komeito and the Democratic Socialist Party [DSP] are only drifting further apart. What comment do you have on your party's relationship with these other two parties?

[Doi] One might say that if they took only a few, very specific instances into account. But I would like you to watch further developments. I met with DSP Chairman Ouchi the other day, and I have the opportunity to talk with Komeito Chairman Ishida often. I will seek further communications at the party head level. It is important that they get to know one another and come to agree on policies while talking.

[Yamamoto] This will be the last question. It concerns the issue of the Korean peninsula. In particular, what is your view on the relationship with South Korea?

[Doi] When President No Tae-u visited Japan last year, I had an opportunity to meet with him. One year has passed and a new one has arrived, and I am still considering when to visit South Korea. I want to put this on my schedule this year and implement it.

[Yamamoto] Thank you.

[Morita] Thank you so much.

NEC Develops 'Automatic Translation Machine'

OW0701125691 Tokyo KYODO in English 1005 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—NEC Corp. announced Monday it has developed a voice recognition computer translator that can render the Japanese language into English jargon and vice versa, possibly leading to a future automatic interpreting telephone for international calls.

The automatic translation machine is billed as the first of its kind to recognize any individual voice rather than just a single person's speech pattern.

The machine, which consists of a fast-crunching workstation, speech analysis circuit board, and a voice synthesis device, lets users have their words rendered into either Japanese or English by speaking through a microphone.

Officials said users in the near future will be able to make hotel and airline ticket reservations by telephone translation and possibly conduct business negotiations.

The computer is a vast improvement over the prototype the company unveiled just five years ago, which could only translate simple spoken Japanese into English, Russian, and Spanish.

The new machine recognizes and analyzes any individual's speech pattern in Japanese or English and then immediately translates the phrase or sentence into the other language.

Officials said they plan to have an experimental machine ready in about four to five years. By the year 2,000, they think they can come up with an automatic interpreting telephone, they added.

Mongolia

New Basic Guidelines Emphasize Foreign Policy

OW0801094391 Ulaanbaatar MONTSAME in Russian 1448 GMT 5 Jan 90

[Text] Ulaanbaatar, 5 Jan (MONTSAME)—The recently adopted basic guidelines for the MPR [Mongolian People's Republic] Government's activities devotes great attention to questions of the country's foreign policy in the nearest future.

The government considers it to be a major task to fully utilize external relations to deepen renewal and the steady social and economic development of the country, pursue an open economic policy, and ensure conditions for effective participation in the international division of labor and in the system of world economic ties. Paramount significance is being attached to the principles of equality and mutual benefit in foreign economic relations, to establishing the scale and forms of cooperation proceeding from the criteria of efficiency and an attentive approach to using credit and financial aid from foreign countries and international organizations for the establishment of rapidly repayable credit funded projects capable of quickly boosting the country's economy. It is envisaged to grant benefits to foreign investors in accordance with existing international practices, the selection of the most efficient projects on a competitive basis, establishment of special zones and guarantees for foreign investments, establishment of favorable tax conditions and opportunities for exporting generated profits, and improvement of the information service.

The government sets itself the task of promoting, to the best of the country's abilities, the strengthening of the positive climate that is taking shape in the world and developing cooperation with other countries.

Special attention is being devoted to developing and strengthening goodneighborly relations with neighboring countries—the USSR and PRC—on the basis of equality

and mutual benefit, and to enriching and deepening them on the basis of using new progressive forms. The government has expressed its desire to develop external economic relations with the countries of East Europe, the highly developed countries of the West, developing countries, the United Nations, and specialized international organizations, particularly those operating in the Asia-Pacific region. It is envisaged to guarantee through law the right of MPR citizens to travel abroad and for foreign citizens to enter the MPR. The government will strive to establish ties with representatives of the Mongolian nation living abroad in the interests of preserving and developing Mongolian civilization.

North Korea

Yon Hyong-muk Sends Letter to No Chae-pong

SK0801114391 Pyongyang KCNA in English
1050 GMT 8 Jan 91

["Letter To Be Sent to South Korean Authorities, Political Party Leaders and Organization Representatives"—KCNA headline]

[Text] Pyongyang January 8 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, sent a telephone message to South Korean "Prime Minister-Designate" No Chae-pong today.

The message said:

A joint meeting of representatives of the DPRK Government, political parties and organizations was held in Pyongyang today to carry into effect the new national reunification proposal put forward by respected President Kim Il-song in his New Year Address and a letter to the authorities, leaders of the political parties and representatives of organizations of South Korea was adopted there.

I, authorized by the joint meeting, will send two liaison officials to the conference room of the Neutral Nations Supervisory Commission in Panmunjom at three on the afternoon of January 9 (Wednesday) to hand over the letter.

I hope that you will take a corresponding step.

Acting Chairman of the Central Committee of the DPRK Red Cross Society Yi Song-ho, at the request of Premier Yon Hyong-muk, asked his South Korean counterpart Kim Sang-hyop to exactly convey the telephone message to the South Korean "prime-minister-designate".

Government, Parties Joint Meeting Held

SK0801110691 Pyongyang KCNA in English
0958 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—A joint meeting of delegates of the government, political parties and organisations of the Democratic People's Republic of Korea was held in Pyongyang on January 8 to carry into practice the new proposal for the convocation of a political consultative conference for national reunification put forward by the great leader President Kim Il-song. Present there were leading functionaries of the government, political parties and organizations of the DPRK including Pak Song-chol, member of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and vice-president; Yun Ki-pok, secretary of the C.C., the WPK; Yi Kye-paek, chairman of the C.C., the Korean Social Democratic Party; Chong Sin-hyok, chairman of the C.C., the Chondoist Chongu Party; Choe Ki-yong, chairman of the Education Commission; Yo Yon-ku, Presidium member of the C.C., the Democratic Front for the Reunification of the Fatherland; Paek Nam- chun, director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland.

It discussed the agenda item "On measures for realising the national reunification proposal profoundly expounded by the great leader Comrade Kim Il-song in his New Year address".

Yun Ki-pok, secretary of the Central Committee of the Workers' Party of Korea, delivered a report.

This year, he said, we must open a radical phase for national reunification at all costs and pave the way for accomplishing without fail the historical cause of national reunification by 1995 in which fall the 50th anniversaries of the national liberation and national division.

The great leader Comrade Kim Il-song in his New Year address advanced a most urgent peace proposal for ensuring peace on the Korean peninsula and creating peaceful preconditions for national reunification before anything else in order to bring earlier the reunification of the country.

The Workers' Party of Korea and the Government of the DPRK put forward long ago a series of reasonable peace proposals including those for signing a peace agreement between the DPRK and the United States, adopting a nonaggression declaration between the North and the South and carrying out a phased arms cut and have made every possible effort to put them into effect, Yun Ki-pok noted, and continued:

If the United States and the South Korean authorities truly want peace on the Korean peninsula, they should not try to evade or delay the settlement of the peace and military matters with the phraseology of "exchange first" and "confidence-building first" but respond without delay to the signing of a DPRK-U.S. peace agreement and adoption of a North-South nonaggression declaration and, for the present, they should discontinue the very adventurous and provocative "Team Spirit" joint military exercises which lead the situation in our country to the brink of war.

Recalling that, in the New Year address, the great leader raised it as an important matter to decide upon the way of national reunification and clearly indicated the measure for its materialisation, the reporter said: This is of weighty importance, indeed, in bringing earlier the reunification of the country at present.

The great leader Comrade Kim Il-song taught:

"An important matter in hand in hastening national reunification is to decide how the country should be reunified."

It is impossible to smoothly solve all the problems arising in attaining the national reunification without defining a way of reunification common to the nation.

If the North and the South insist on different proposals for reunification, failing to define a way of national reunification, they practically cannot find commonness in the solution of the North-South dialogue and reunification issues nor set a correct orientation and target for the reunification of the country.

In the New Year address, the great leader said that when two different systems exist in the North and the South, their reunification should be achieved by means of confederation based on one nation, one state, two systems and two governments on the principle of neither side conquering the other or being conquered by the other and newly defined it as a great principle of the way of national reunification suited to the present situation of our country.

As the great leader said in the New Year address, we can leave the matter of unifying the different systems in the North and the South to our posterity for its slow but smooth settlement in the future, but it is the supreme tasks of the nation the solution of which can no longer be delayed to establish a unified state as one nation, transcending the difference in ideas and systems.

The South Korean authorities, bringing forward the "heterogeneity" concept, are contending that the North and the South have no alternative but to remain divided before "homogeneity" is restored and that for the country's unification there is no other way but to "unify the systems". But this is, in fact, nothing but an argument for rejecting reunification and prolonging the division of the country endlessly.

It was proved by history long ago that the South Korean authorities' concept of "unification of systems," another version of the formula of "unification by prevailing over communism", is a fantastic dream which can never come true.

When two different systems and governments exist in North and South and neither of them [word indistinct] to surrender its, the only way of reunifying the country by peaceful means is to establish one unified national state on the basis of leaving intact the two systems and two governments existing in the two halves and respecting each other, in other words, to achieve reunification through confederation.

The great leader said in the New Year address that we believe the proposal for founding the democratic confederal republic of Koryo is the fair common way of the nation for reunification which can serve as the basis of national agreement, but we, in an effort to make it easier for the whole nation to reach national agreement on this proposal, we are ready to consult the matter of gradually and completely effecting reunification through confederation by vesting the regional autonomous governments of the confederal republic with more rights on a tentative basis and then increasing the functions of the central government in the future.

In his New Year address, the great leader, with a view to reaching a nationwide agreement on the method of national reunification, newly proposed to convene a political consultative conference for national reunification as soon as possible at which the authorities, and representatives of political parties and organizations of the North and the South would sit together to decide on the way of national reunification.

National reunification cannot be achieved merely by the efforts of the authorities or privileged classes and quarters. It is a great cause which can be successfully accomplished only by the concerted efforts of the entire Korean people from all walks of life. Accordingly, the way of national reunification must be defined through the integration of the will of all the parties, groupings and quarters in the North and the South.

To this end, it is important to arrange a nationwide dialogue which can represent the demand of the entire fellow countrymen and the will of the people of broad segments in the North and the South and find a way of national reunification acceptable to all.

In view of the urgency of the matter of deciding on the way of national reunification as early as possible, I propose to send in the name of the joint meeting a letter to the authorities, and representatives of political parties and organizations of the South, containing a concrete proposal to convene a political consultative conference for national reunification involving the authoritiesand representatives of political parties and organizations of the North and the South, on the occasion of the 46th anniversary of the August 15 national liberation falling this year.

The political consultative conference for national reunification should be participated in by the same number of delegates from the North and the South on an equal footing as well as delegates of Koreans overseas, without discrimination between the authorities and nongovernmental people and between the ruling parties and opposition parties and those out of office and also between the majority and the minority.

Pyongyang or Seoul will be fit for the place of the conference. We consider it quite necessary to have contact and dialogue between all political parties and groupings, delegates of different levels, and politicians in the North and South, irrespective of the forms, whether it is bilateral or multilateral, in order to arrange the historical grand conference successfully.

We will always leave the door open for all politicians and all figures of South Korea who want to visit the North for reunification dialogue and accept with pleasure any time the invitation of any political party and organisation of South Korea to discuss the method of reunification.

The South Korean authorities should immediately stop engaging in "entreaty diplomacy" with people of other countries over the internal affairs of the nation and show sincerity in discussing with us important matters of the nation.

In the New Year address the great leader put it forward as an important task to achieve the great unity of the whole nation in hastening national reunification, Yun Ki-pok said, and stressed:

The political forces of the political parties and groupings and people from all strata in the North and the South should reconcile their policies and actions with one another's and support and unite with one another on the common front for national reunification and develop a dynamic nationwide mass movement for peace and reunification.

We express the hope that the governments, political parties and organisations of all countries which love peace will continue to extend full support to our efforts for the convocation of the political consultative conference for national reunification and the Korean people's just cause of reunification, he said.

Representatives of political parties and organisations took the floor at the joint meeting.

The joint meeting adopted a letter to the authorities and to the representatives of all political parties and organisations of South Korea, which contains a concrete proposal for the convocation of the political consultative conference for national reunification.

Daily on N-S Dialogue for Reunification

SK0801023191 Pyongyang KCNA in English 1011 GMT 7 Jan 91

[Text] Pyongyang January 7 (KCNA)—NODONG SINMUN Monday comes out with a by-lined article titled "Great Unity of the Nation Must Be Realized for National Reunification".

The great leader Comrade Kim Il-song in his historical New Year address specified the need to achieve a great unity of the nation as a task to quicken national reunification, the article said, and continues:

National reunification is a nationwide cause which can be achieved by the active participation of the whole nation, its driving force.

For the great national unity, they should not discriminate between ruling parties, opposition parties and those out of office, nor deal with the minority differently from the majority, nor take issue with people about the difference in their political views and past faults, refraining from distrust and prejudice against the other party. The political forces of each party and each group and people from all strata who desire national reunification must reconcile their policies and actions with one another's and support and unite with one another on the common front for national reunification and develop a dynamic, nationwide mass movement for peace and reunification.

The great leader stressed the need to hold multilateral contact and dialogue between the North and the South for the great national unity.

A matter of special importance today in realizing great national unity is that the statesmen of the North and the South make mutual contacts, have dialogues and deepen their trust.

We will meet men of the ruling party as well as men of opposition parties and individuals out of office in South Korea irrespective of the forms of dialogue, whether it is bilateral or multilateral, and keep the door of dialogue for reunification for everyone wide open.

In order to achieve the great national unity, it is imperative to develop dialogue of nongovernmental people along with the talks between authorities.

The South Korean authorities must discard such a narrow-minded, self-righteous attitude as preventing even the talks between nongovernmental people; they must abolish fascist evil laws hostile to the North, immediately release those who have been arrested and imprisoned on the charge of visiting the North or of meeting us to discuss the matter of reunification abroad and provide all the South Korean people with equal rights to contact and talk with the North freely.

All the fellow countrymen in the North, the South and abroad must rise up as one in the sacred struggle for national reunification and bring a new phase to national reunification in close unity under the banner of the great national unity put forward by the great leader in his New Year address, stresses the article.

Youth Leader Says Reunification Plan 'Reasonable'

SK0801045591 Pyongyang KCNA in English 0412 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea, in a statement on January 7 said that the new proposal for national reunification advanced by the great leader Comrade Kim

Il-song in his new year address is the most timely and reasonable measure to find a reunification way common to the nation at the present juncture.

This proposal must be put into practice at an early date, he stressed.

To reach a nationwide agreement on the way of national reunification at an early date is the very urgent requirement for the solution to the question of reunification, he said.

He recalled that the great leader clarified the great principle of defining the method of national reunification, that is the method of reunifying the country by means of confederation on the basis of one nation, one state, two systems and two governments.

This great principle is a milestone by which our divided country and nation can achieve reunification at an earliest date without deviation, not fighting each other, he stressed.

Reunifying the country through confederation by founding the democratic confederal republic of Koryo is a proud way for our youth and students born in the divided country to enjoy their youth to their heart's content in a reunified country, Choe Yong-hae said, and stressed:

The entire youth and students in the North and the South will take the lead in the grand onward movement of the nation toward reunification in the 90s.

Telephone Message Sent to South's Sports Delegate

SK0801114991 Pyongyang KCNA in English
1055 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—Kim Hyong-chin, head of the North side's delegation to North-South sports talks, sent a telephone message to South Korean chief delegate Chang Chung-sik today, urging the South side to show sincerity in the discussion of matters for a successful formation of unified teams of the North and the South.

The message said:

At the first round of North-South sports talks held on November 29 last year the North side put forward the basic proposal concerning the formation of unified teams as well as five proposals for participating in the 41st world table tennis championships and other major international games as unified teams and draft texts of letters filing applications with international sports organizations for the participation of the North and the South in the games as unified teams. And it hoped for an agreement on the matters. But no agreement has been reached owing to the unreasonable position of the South side.

It further said:

This notwithstanding, in its latest telephone message your side even tried to evade the responsibility for the fruitless talks, while justifying the unreasonable position it had taken at the first round.

We express deep regret at this.

This gives rise to our suspicion that your side might be attempting to render the formation of a unified team abortive by laying an artificial obstacle in the way of the talks as it did at the talks for discussing the formation of a unified team for the 11th Asian Games.

The two sides must not fail to put an end to such abnormal situation as confrontation between fellow countrymen in the international arena and, to this end, resolve first of all the question of forming unified teams of the North and South at an early date for the 41st world table tennis championships and other major international games in compliance with the desire of the fellow countrymen.

Hoping that your side will show sincerity in the discussion of matters out of the stand to form a unified team at the second round of talks, our delegation notifies your side that it will go to the "House of Peace" of your side at 10:00 on January 15 (Tuesday).

South's Minister Meeting on Gulf Crisis Viewed

SK0601093391 Pyongyang KCNA in English
0800 GMT 6 Jan 91

[Text] Pyongyang January 6 (KCNA)—The No Tae-u ruling group on January 5 called an "emergency meeting of ministers concerned" over the Gulf crisis and discussed the matter of dispatching puppet troops to the Gulf area in case the U.S. imperialists ignite a war of aggression there, a radio report from Seoul said.

The criminal scheme to supply cannon fodder to the U.S. imperialist master in their aggressive action has whipped the South Korean people into fury.

The No Tae-u clique whose mode of life is treacheries intend to prolong their dirty remaining days by serving better for the U.S. imperialists' policy of aggression and war while doggedly opposing the independent, peaceful reunification of the country.

Daily Views 'Market-Opening Pressure' on South

SK0701054991 Pyongyang KCNA in English
0521 GMT 7 Jan 91

["Brigandish High-Handedness of Colonial Ruler"—KCNA headline]

[Text] Pyongyang January 7 (KCNA)—The U.S. special trade representative threatened some time ago that the United States would take "an economic retaliatory step" against South Korea in case it fails to totally open its market.

Earlier, U.S. President Bush in his "personal letter" to the traitor No Tae-u over the "trade issues" urged him to

comply with the U.S. demand quickly. Thus the United States has put market-opening pressure on the puppets in succession.

The U.S. imperialists' repeated economic pressure is a shameless brigandish arbitrariness of the colonial ruler who keeps South Korea under his control, NODONG SINMUN today says in a commentary.

The news analyst notes:

This shows that the U.S. imperialists are becoming all the more insolent in their efforts to gratify their voracity, regarding South Korea as a place for raking up colonial superprofits.

Although the U.S. imperialists have loudly talked about "protection" and "aid" up until now, they reveal their true color as vicious aggressors now by trying to defuse the economic crisis and feather their nest at the sacrifices of the South Korean people.

It is due to the mean dependence of the successive South Korean puppet cliques upon foreign forces and their sycophant mentality that the U.S. imperialists act so insolently in South Korea at present.

As the preceding puppets did, the traitor No Tae-u seek to prolong his remaining days by clinging to the coattails of the United States. Hence, No promised to publish the items of imports and the timetable of market opening for them within the first quarter of this year, yielding to their pressure in December last year and hurriedly took a series of steps such as simplifying quarantine of agricultural products.

They even concluded an "agreement of protection" with the United States over unsalable materials. Such acts could be committed only by such colonial puppets and traitors as the No Tae-u group.

The aggressive acts of the U.S. imperialists and the flunkeyist treacheries of the No group should never be tolerated.

South Radio Reports on U.S. 'Atrocities' Viewed

SK0801050791 Pyongyang KCNA in English 0437 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—The Radio Munhwa of South Korea on January 5 reported that the crimes committed by the U.S. imperialist aggression army soldiers in South Korea in nine years from 1981 to 1989 number more than 16,660 cases.

They committed murder, arson, rape, theft and all other kinds of crimes in all parts of South Korea, bringing immeasurable misfortunes and sufferings to the population.

Their atrocities are becoming all the more rampant, however, in the absence of any punishment and their number is on an increase.

It is reported that more than 770 U.S. imperialist aggression army brutes committed atrocities against South Korean people in the first half of last year alone.

Such atrocities are taking place in South Korea almost every day and every hour, but the authorities do not cease from such anti-national acts as actively defending the criminals.

Soviet Officials View 1991 Economic Situation

SK0701102491 Pyongyang Domestic Service in Korean 1200 GMT 6 Jan 91

[Text] The economic situation in the Soviet Union is continuing to be troubled. According to reports from TASS, Chairman of the State Committee for Statistics Vadim Kirichenko ran an article on 4 January in a government bulletin and talked about the Soviet's economic situation of last year. He said that an absolute decline in social output began in 1990. Last year the overall industrial output was actually reduced to the level of 1988 and the overall national income did not reach the level of 1988.

Because of disputes among nations and strikes, the operation of enterprises was suspended and economic ties ruptured, thus making the situation of the people's economy complicated. The direct lose of products because of these incidents during the past two years, amounted to about 2 billion rubles.

He said that deficit in the national budget and the lack of products are at a dangerous level and also said that the economic crisis which is continuously being aggravated is because of the deepening of the overall political instability.

In an interview with a TASS reporter, (Vladimir Gribov), vice chairman of the Soviet State Planning Committee, said that the country's economy is in a very difficult situation.

He said that the output has declined; that the social production efficiency of the workers is declining; and that the situation of the consumer market has not been stabilized. He also said that due to the complicated situation of the foreign economy, the financial situation is continuing to be aggravated.

(L. Patkayeov), first vice minister of Labor of the Russian Soviet Federated Socialist Republic [RSFSR], in a 3 January article carried by the paper VECHARNAYA MOSKOVA, said that finding a job in the RSFSR this year will be more difficult. He said that according to prior calculations by the Labor Ministry, more than 5 million workers who work in organs and enterprises in the RSFSR this year will lose their jobs and about 1.5 million students who have graduated from school will be demanding new jobs.

KCNA Reviews 8 Jan Pyongyang Press

SK0801054591 Pyongyang KCNA in English
0445 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—Papers here today convey news that the new year address of the great leader President Kim Il-song was reported by foreign media.

Carried in papers are messages of greetings to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, from foreign party and state leaders on the new year 1991.

Under the title "Full Support to Way of Reunification Through Confederation Clarified by President Kim Il-song" NODONG SINMUN conveys what South Korean people said upon hearing his new year address.

Given in papers is an account of meetings of working people held in different parts of the country to carry through the tasks put forward by President Kim Il-song in his new year address.

Echoed in NODONG SINMUN are voices of South Korean people and foreigners ardently revering dear Comrade Kim Chong-il.

An article of the paper says President Kim Il-song and Comrade Kim Chong-il have led the Wonhwa cooperative farm in Pyongwon County, South Pyongan Province, to take the van in making the three revolutions.

It is reported in the paper that Yom Tae-chun, Presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland, and Won Tong-ku, chairman of the Central Committee of the General Federation of Trade Unions of Korea, published statements and the International Liaison Committee for the Reunification and Peace of Korea, the Senegalese Peace Movement and the All-India Youth Federation issued statements in support of the new proposal for national reunification put forward by President Kim Il-song in his new year address.

Econews of papers deals with a new upsurge being effected by working people in all sectors of socialist construction under the banner of the three revolutions.

NODONG SINMUN carries an article under the title "Our People Are Entrusted by the Time and History With an Honourable Task of Building Socialism With Great Efficiency."

Papers observe the day of building-material industry.

Papers inform the readers that the ambassador of the state of Palestine to Korea arranged a banquet to mark the 26th anniversary of the start of revolution in Palestine and the 2nd anniversary of the founding of the state.

Commenting on the decision of the No Tae-u ruling group to dispatch a "military medical team" to the Gulf region, NODONG SINMUN brands this as an unpardonable criminal act to actively join in the U.S. imperialists' open armed intervention and aggression in the Gulf region and offer fellow countrymen as cannon fodder, a bullet shield for an imperialist war of aggression.

South Korean news columns of the paper include a report that opposition parties protested the authorities' scheme to dispatch a "military medical team" to the Gulf.

The paper carries an article saying that the movement for national reunification was waged vigorously nationwide in the North, South and abroad last year.

It introduces successes made in the fulfilment of the Seventh Five-Year Plan in China.

Included in the foreign news columns of the paper are reports that the president of the organizing committee of the 11th Pan-American Games to be held in Cuba stressed that the games will be a most successful one, the Indonesian president outlined new year's tasks, the Pakistani prime minister declared self-reliance a final goal of his government, and the French Communist Party called for a peaceful settlement of the Gulf crisis.

The paper informs the readers of efforts to build a new Asia in Iran, the Philippines and Bangladesh.

In an article titled "'Peace' and 'Detente' Is Camouflage of Imperialism" the paper exposes that the U.S. imperialists are resorting to crafty moves to disorganize socialist countries and non-aligned nations advancing along the road of independence, behind the curtain of "peace" and "detente."

Miners, Farmers Pledge Increased Production

SK0801021991 Pyongyang KCNA in English
1002 GMT 7 Jan 91

[Text] Pyongyang January 7 (KCNA)—Miners of the Komdok mining complex and farmers of the Wonhwa cooperative farm in Pyongwon County, South Pyongan Province, who have risen up as one man to implement the tasks set forth by the great leader President Kim Il-song in his New Year address, held meetings on January 3 and challenged the workers, technicians and office employees of the industrial establishments and agricultural working people across the country to socialist emulations.

At the meeting, the miners of the Komdok mining complex, a leading nonferrous metal ore producer in Korea, declared that this year in which falls the significant 30th anniversary of the on-the-spot guidance of President Kim Il-song to the complex, they would fulfil their assignments for ore production without fail to honor the loyal resolution they made to the party by working in the same spirit and stamina as was displayed in the days of the great chollima upsurge after the ceasefire.

In their resolution, they declared that they would fully display the revolutionary mettle of the heroic Korean working class in the noble efforts to radically increase the production of lead and zinc, cherishing the honor and pride in assuming an important share in accelerating the socialist economic construction and further enhancing the living standards of the people.

The farmers of the Wonhwa cooperative farm at their meeting resolved to produce 10 tons of rice and maize each per hectare this year and make a great innovation in the production of meat, vegetables and silkworm.

We will glorify the feats of President Kim Il-song and dear Comrade Kim Chong-il associated with Wonhwa-ri by putting the rural economy on a modern basis and registering a new record in agricultural production, they said.

Working People Discuss Tasks for New Year

SK0801050191 Pyongyang KCNA in English 0433 GMT 8 Jan 91

[Text] Pyongyang January 8 (KCNA)—Meetings of working people were held in South and North Pyongan Provinces, Chagang Province, the Musan mining complex, the General Bureau of Western Railways and on the Migok cooperative farm in Sariwon and other places to carry through the tasks set forth by the great leader President Kim Il-song in his new year address.

Reports and speeches were made at the meetings.

The reporters and speakers noted that the great leader in his new year address comprehensively indicated concrete tasks and ways of bringing the advantages of our socialism into fuller play and accelerating the national reunification by pressing ahead with the socialist construction in compliance with the requirements of the present situation and the development of our revolution.

They vowed to extensively tap and enlist all reserves and possibilities and perform heroic exploits in the efforts to implement this year's tasks for economic construction by highly displaying the revolutionary spirit of self-reliance, the traditional fighting trait of the Korean people.

They called upon all the officials and working people to uphold the leadership of the party with loyalty and carry through the tasks set forth by the great leader in his new year address with a high degree of revolutionary spirit, the party spirit, working- class spirit and serve-the-people spirit and thus contribute to bringing earlier the complete victory of socialism and the national reunification.

South Korea

President No Tae-u Speaks at News Conference

SK0801091891 Seoul KBS-1 Television Network in Korean 0000 GMT 8 Jan 91

[Policy speech by President No Tae-u at a New Year news conference in Chongwadae—live]

[Text] I wish all of you a happy 1991. Although there was a great deal of desiderata last year, 1990 gave greater confidence and hope to all of us.

Just a year ago, we greeted the New Year amid a feeling of uneasiness over the future. There was even a word about overall crisis. However, stability has been realized in all domains—political, economic, and social—and has become a great trend. Based on this, the might of new creation is emerging.

Through reorganization of political circles, a foundation for political stability was laid, and people's awareness that the aimless transitional period should be brought to an end has changed many areas of society.

Even amid economic difficulties, our people stabilized labor-management relations through self-restraint and unity and achieved nine percent growth.

By positively coping with a great reform that changed the order of the world, we opened the era of peace and reunification on the Korean peninsula.

We have established diplomatic relations with many nations in Eastern Europe and with the Soviet Union, and I visited Moscow last month. All this was significant progress in our efforts to overcome the cold war era by ourselves.

We greeted 1991, facing fierce challenges at home and abroad. However, we have great potential, and we have made the country proud today by overcoming various difficulties. Revitalizing such potential, we will accelerate the vigorous march toward democracy, prosperity, and reunification.

This year, I will see to it that all works which we carried out in the past will be successful and that all our people can equally enjoy the results.

I promised a number of large and small works—from freedom of the press and elimination of authoritarianism to the construction of two million houses, era of the west coast, the northern policy, and expediting reunification. A great number of works were achieved during the past three years.

Instead of making new promises and of putting forward new policies, I will now see to it that the people realize what is being achieved and what the successes are.

Amid the rapidly changing world, we are faced with a new era of democratization, opening, and internationalization. According to this, the government will play the

role of vanguard in carrying out all works with clear conviction and a new way of thinking.

We will accelerate what should be expedited. However, for the work requiring time, we will show the people a clear blueprint and concrete plans to achieve this. The government will put into practice a democratic way of thinking, justness, and fairness.

I now mark the fourth year of my term of office. This year is the highest peak for consolidating democracy and for leaping into the rank of advanced nation through persistent economic growth.

In North-South relations, as well, this year will open to a decisive turning point for national reunification. I will establish a firm foundation for maintaining law, order, and stability under any situation and will, in this way, achieve the country's development. The 21st Century is coming on us in only nine years. Within this century, we will establish a firm foundation to build our country into an advanced country, enjoying freedom and prosperity, and into a reunified country in which the 70 million fellow countrymen can live within one fence.

The local autonomous system which will be enforced again after 30 years is a key factor which will open the door of the era of genuine democracy and local autonomy. Holding the elections for local assemblies, which are slated for the coming spring, in a clean, fair, and aboveboard manner will be a touchstone for our democratic development, not to mention our autonomous politics. If and when our people properly conduct the elections this year, which will elect more than 5,000 deputies to local assemblies, by displaying their mature democratic consciousness, the pace of our political schedule—which includes the elections of the heads of local autonomous organizations slated for the next year, the general elections, and the presidential election—will be easy and smooth.

However, if these elections for local assembly deputies are conducted in such a way as to facilitate disorder and illegality, worsening provisionalism, and, thus, create social chaos, not only democracy, but the future of the nation will be clouded. In particular, if the elections for local assembly deputies are conducted fraudulently, with illegal money, the foundation of our economic stability itself—which is being deepened with much effort—will be shaken.

Therefore, the government will deal sternly with the acts of manipulating voters with money, illegal preelection campaigning, and other illegal acts violating the election laws. Even from this moment, the government will sternly punish all acts which destroy the discipline of the sacred democratic elections, defining them as anti-democratic crimes. The genuine meaning of the local autonomous system is to embody local residents' participation and their welfare. To achieve success in the local autonomous system, it is imperative for you, eligible voters, to carry out the revolution in the elections. Every eligible voter should not only sternly reject the act of bribing voters with money and other illegal acts, but also should become a lookout man to ensure clean elections. Eligible voters should reject those who attempt to seek individual interests, taking advantage of politics, and should elect those who will work devotedly for the development of local communities.

Four years have passed since we opened the road of democracy through the 29 June Declaration. However, the political circles have failed to give confidence to the people as yet. As the hightest responsible person of state affairs, I humbly reflect on this.

From now on, we should change our politics from the politics of confrontation—which create feuds and unrest—to genuine democratic politics which achieve unity of the people through dialogue and compromise. I will lead the ruling party to realize the genuine desire of the people based on its thorough reflection on its duty assigned before the people so that the party can win the people's confidence as a political party which respects and treasures democracy.

This year concludes the last Five-Year Economic and Social Development Plan of the total of six five-year economic and social development plans of the past 30 years. When the Seventh Five-Year Economic and Social Development Plan, which will be carried out from the next year to 1996 is completed, the individual income of our people will exceed $10,000, and our country will become a high industrial, advanced country. We are now in the last stage of joining the ranks of advanced countries. To achieve an advanced industrial economy, it is imperative not only to increase the size of the economy by injecting more vigor to the sustained economic growth, but to develop one step higher all fields ranging from technology, industrial structures, and enterprise management to the people's consciousness.

While maintaining our basic goal of increasing economic stability, we will achieve seven percent economic growth this year. When we achieve this goal, the national income per capita will be $6,200, and the total amount of trade will reach $150,000 million at the end of this year. Thus, our country will be closer to the ranks of advanced countries.

Our economy this year faces various external difficulties such as instability in crude oil prices due to the Persian Gulf situation, stagnation of the world economy, friction in the Uruguay Round talks, and disputes in foreign trade. Our economy also faces various internal difficulties such as price instability due to the sharp hike in oil prices and wages. Therefore, the international competitive power of our industries is still in difficulty.

The stability in prices, wages, and labor-management relations this year will become a decisive factor which determines the future of our economy. If prices and wages are sharply increased, not only will the international competitive power of our export goods not be restored, but also our economy itself will be driven into a serious situation. In other words, regardless of the

efforts that we have made for the past 30 years, shedding sweat and blood, our dream of entering the ranks of advanced countries in the near future will be hopeless.

Here and now, I urge workers, enterprises, and all other main forces of our economy to deeply understand this clear reality and to achieve social consensus for the stability and development of our economy. Unless there is a particular factor this year which causes a sharp rise in prices such as the worsening of the Persian Gulf situation, the government and the main forces of our economy should curb the hike in product prices, service fees, house prices, and other house rental fees as much as possible. Thus, they should make an effort to prevent prices from rising more than one-digit figure. Workers' wages, too, should be curbed within the scope of price hikes.

Based on social consensus, the government will make all possible efforts through its policies to make our economy a firm, stable one. What is a pressing task, a task which is no less important than the task of stabilizing the economy, is to inject vigor into the manufacturing industry, the export industries in particular, so that they can lead our economic growth. We should revive our old appearance in which the resounding sounds of machines were heard from all the industrial plants throughout the country, in which our workers were busy manufacturing products, and in which our export business men were working hard day and night in all the trade markets of the world. When we revive such vitality, the strength of this vitality will reach all economic sectors.

The government will work out active and comprehensive measures so that our industries can win in international competition. The government will also supply industrial funds. In particular, the government will push ahead with effective measures for the solution of the present difficulties in man power. Along with this, as an effort to step up technological innovation, the government will extensively develop technology at industrial sites and actively support technological development at enterprises.

The government will epochally expand such indirect social capital as roads, harbors, land for industrial plants, which have a great effect on increasing the international competitive power of our products. This year's state budget for this sector is at 2.5 trilliom won, a 32 percent increase over last year. In addition to this, the government will invest an additional one trillion won to build expressways and local roads and expand Pusan and Inchon ports. The government will complete ahead of schedule the construction of the second Seoul-Inchon expressway and the expansion project of the Seoul-Pusan expressway by 1993. To move ahead with such projects, a social capital investment planning team will be organized at Chongwadae.

The government will not let up in its efforts to eradicate the real estate speculative deals that have distorted our economic structure and restrict the expansion of the unproductive service industry. On the other hand, the government will lift various unreasonable restrictions that discourage sound business activities and will eliminate various irregularities. Only when our economy continues sound, steady growth with the manufacturing industry as its driving force can we attain such targets as achieving prosperous rural areas, welfare for the neglected people, and enhancing the quality of life for people of all walks of life.

We now must prepare for the full-fledged era of openness which has become a reality. Not only agriculture, but all industries should strengthen their own structures. Even without the opening of markets to farm produce, we cannot achieve the well-being of the rural areas with the small farmers relying on the small patches of farming land and manual labor alone. We ought to make the Uruguay Round a turning point for the development of the rural areas. The government will make daring investments to readjust the structure of agriculture.

Government efforts alone cannot bring about economic development. I call on the workers, farmers, businessmen, and all the people to make extraordinary efforts to unite themselves with one mind.

The government will make intensive efforts this year as well to improve housing, transportation, and environment and to bring about innovations in education. These are urgent problems for which all the people desire solutions. The construction of 750,000 housing units was begun last year, and 500,000 units will be built this year. This means that the construction of all the promised two million housing units will have been started by the end of this year. If the newly-built units are supplied in a full-fledged manner, the improvement of the housing problem will be apparent and housing prices will become stable.

To improve the transportation problem, we will have completed the construction of the Pangyo-Toegyewon expressway in the metropolitan area, which will ease traffic congestion in Seoul's downtown area by the end of 1992 and the metropolitan subway connecting Seoul to the newly-built cities by the end of 1993. We also will continue to expand Seoul's subway lines. We will accelerate the subway extension for Pusan and subway construction for other major cities.

To solve the environmental problem, I will work out a comprehensive medium-term plan and push ahead with it vigorously during my term of office to preserve clean water, clean air, and a beautiful environment, which are essential to the health of the people. To improve the quality of air and water and the disposal of trash and various other refuse, we will put forward a people's environmental target this year and intensify the coordination of policies to minimize environmental damage as soon as an industrial policy is established.

To improve education, we have invested a total of 1,100 billion won from 1990 to 1992 from a special appropriations fund. This is improving the educational environment considerably. We should improve education—characterized by cramming for college entrance examinations—and the excessive zeal for college education regardless of the ability of the applicant. For this, the government will push ahead with the reform of the college entrance system and high school education.

Democracy and prosperity can only be brought into bloom in a stable and orderly society. The people have learned this lesson, paying a dear price over the last three or four years. The New Order New Life Campaign which has been conducted since the 13 November Declaration last year contains the will of all the people. The "order and new life" called for in this campaign is becoming the theme for a comfortable life for all the people and a national movement leading the development of the state and society in the 1990's.

The government, during this new year, will continue to push ahead with the work of banishing crime and violence and maintaining law and order vigorously and consistently. The tendency to break the rules of society and to encourage lewd and pleasure-seeking practices will be rectified from the standpoint of social reform. We will not loosen our efforts through authoritative power to check intoxicated and violent drivers and illegal parking or to check illegl night business and the lewd businesses. The government and the government officials will stand at the head of this work to create a healthy society, a working society.

An orderly society, one in which everyone can live peacefully, should be achieved by the government and the people together. All the people from all walks of life should actively participate in sweeping away the dark shadows from all corners of society and filling them with fresh air.

This year rapid changes are anticipated in the situation surrounding the Korean peninsula. The trend of reform which has transformed Europe is coming to East Asia. As we positively pushed ahead with nordpolitik even before the collapse of the cold war structure, so shall we wisely foresee and cope with the changes taking place around us.

The confrontational structure that has long persisted around the Korean peninsula is collapsing. We will take the initiative in bringing forth this enormous change, help bring an end to the worries of war on this land, and expedite the arrival of an era of peace and reunification.

We will continue to promote practical cooperative relations with the Soviet Union on the basis of further solidifying the friendly cooperative relations with our traditional allies, namely the United States and Japan, and the countries of the European Community. Our relations with China also will be further promoted with the mutual establishment of the trade missions this month.

North Korea is now facing a pressing situation that compels it to change its closed line because of the situation at home and abroad. North Korea will have to change in the not too distant future, and a significant turning point will come in North-South relations. Last year three rounds of North-South premiers' talks were held for the first time since the national division. Though limited in scope, there were North-South exchanges in cultural and sports fields. We will advance North-South dialogue and make every effort possible to bring forth meaningful agreements and to realize genuine exchanges and cooperation between the North and the South.

The external obstacles to reunification are now disappearing. The international environment for the reunification of the Korean peninsula is now progressing toward maturity. In view of this situation, I will not hurry but will take a realistic approach toward the issue of reunification. Building a proud democratic country, building a long-envied advanced country, and achieving a reunified country is not a dream for the distant future, but it is coming closer to a reality which we will witness in the near future. We are now facing both challenge and opportunity. Everyone should gather their strength and wisdom to achieve this long cherished desire of fellow countrymen which they have never abandoned despite the protracted adversities they have undergone. Now is the time for everyone to band together. I will stand at the head of what the government has before it, and we will do our best.

Let us make vigorous advances this year as well. Thank you.

No Answers Reporters' Questions

SK0801111491 Seoul KBS-1 Television Network in Korean 0025 GMT 8 Jan 91

[Question and answer session by President No Tae-u, immediately following his New Year news conference at Chongwadae—live]

[Excerpts] [Passage omitted] [TONG-A ILBO reporter Nam] It has been learned that the government is currently planning to dispatch a medical team to the Persian Gulf. There are many people who are worried that as in the past Vietnamese war, there could be a possibility of also dispatching combat troops to the Persian Gulf when the medical team is dispatched. Mr. President, if a war breaks out in the Persian Gulf, how will you deal with the issue of dispatching combat troops in connection with the dispatching of the medical team?

[No Tae-u] Regarding the Persian Gulf crisis, for a country to invade another country by force and occupying that country is by no means tolerable. Therefore, we must and are supporting the decision of the United Nations regarding this issue. From this position, the United States is generally playing a major role. According to the request of the United States, we are providing economic aid.

As you all know, during the fifties we went through the bitter experience of the Korean war, and during this time according to the resolution of the United Nations, many countries participated in the Korean war and shed blood, defending our freedom and our lives. With this in mind, I think that when there is an act of aggression in another country, it is natural for us to fulfill our duty internationally.

I think that this is necessary to support the United States' efforts for world peace and to be prepared in case of an emergency in our country in the future. I know that currently troops of the army, air force, and navy of 28 countries are dispatched in the Persian Gulf. We are presently making many preparations for dispatching a medical team. We are doing this according to the request from Middle East nations, including Saudi Arabia. We are going to submit a bill to the National Assembly for agreement. However, we have not received a request from any country for dispatching combat troops nor have we reviewed this issue.

[CHOSON ILBO reporter Yi Sang-chol] Mr. President, in the past, you have been having indirect talks with North Korea's President Kim Il-song through the premiers of the North and South. As a result of these indirect talks, what is your outlook and judgment on the future of North-South relations? Is there a possibility for holding the North-South summit talks this year? And also, what is your view on the prospects for dialogue?

[No Tae-u] Thank you. Based on various dialogues and exchanges that we have promoted up until now, we are hopeful regarding the future of North-South relations.

Last year, talks by premiers of North and South were held three times and contacts and exchanges of musicians, sportsmen, and scholars were also held. Even though there were no tangible agreements in these various contacts and exchanges, the talks and contacts themselves had positive value.

Based on international reform and changes, I hope that North Korea responds to these kinds of changes as soon as possible in a rational way and moves away from its closed-door line and isolation, thus becoming a responsible member of the international society.

Currently, North Korea is in a dilemma. It is suffering great difficulties. As you know, East Europe including the Soviet Union have all changed. Also, Germany became reunified. Only North Korea is not able to free itself from the old ideology. Therefore, we must look squarely at North Korea's situation and approach North Korea with patience and persistency, one on one, in a practical way.

Presently, North Korea's attitude might fall short of our expectations, but as I indicated earlier the world is changing and neighboring countries are also changing, it is inevitable for North Korea to feel that there is a limit to its domestic policies. That day will certainly come. Then it will change into a practical line.

As soon as North Korea begins to change, North-South relations will develop at a very fast pace. Then, I believe that the long awaited North-South reunification can be achieved surely within this century.

As for my summit talks with President Kim, which I have long been proposing, I believe that the deep-rooted misunderstanding and distrust in North-South relations can be resolved much better and that the promotion of North-South relations can be better facilitated when the top leaders meet and talk candidly with each other. I think that President Kim in the North may be contemplating the need for the North-South summit talks which I have proposed on a number of occasions.

As you know, the law on North-South exchanges and cooperation was formulated and supplementary procedure was also worked out.

According to this law, anyone can contact the residents in the North and can visit the North. I myself think it is good for many people from various strata, in particular, the young people in our country, to visit the North.

The government will permit all their visits as long as such visits do not make particular legal issue. Last year, having received 206 requests from professors and students for visits to the North and for contact and exchange, the government permitted all of these requests. The government forwarded these requests to North Korea. But the problem was that North Korea refused to accept them. Why then did not North Korea permit them in spite of our permission?

I received a report that out of 206 requests, North Korea accepted only 3 cases, thus refusing all other requests. North Korea rejected en masse the requests made through the government-channel. In other words, only when North Korea considers it necessary to invite people to the North and to contact them in view of its subversive purposes and united front strategy, did North Korea permit such visits. As a result of this, smooth dialogue was not held between the North and the South.

Some people attempted to visit the North by ignoring the government's channels and laws and procedure. They acted exactly in accordance with what North Korea wanted. Their acts are illegal, and cannot be tolerated.

[Reporter Kim from YONHAP News Agency] Last year, Your Excellency established diplomatic relations with many nations in East Europe, and held summit talks by visiting the Soviet Union. As a result, remarkable progress has been made in northern policy, and all the people are satisfied with this.

I think the last target of the northern policy is China. What do you think of the issue of improving relations with China this year? I understand that our government is pushing for simultaneous entry of the North and the South into the United Nations. Will you explain your expectations for UN membership this year and what do you think of this issue?

[No Tae-u] I think that our relations with China should be normalized at an early date in view of our history and geography. By doing so, not only mutual prosperity can be realized but also peace in the Northeast Asia can be consolidated.

Proceeding from this stand, we have made great efforts. As a result of this, we agreed to establish a trade mission in Seoul and in Beijing respectively this month. Such progress will certainly contribute to expanding exchanges and trade between the two countries.

Tens of thousands of people from both nations visit each other every year. Besides, annual mutual trade now amounts to $3.2 billion. With the establishment of trade missions, exchanges and cooperation will be accelerated. One may regard the present time as an intermediate stage for establishing diplomatic relations.

I believe that through such efforts, the normalization of relations with China will be realized in the near future.

As for the issue of UN membership, we withheld the request for the UN membership last year. This issue was discussed as an agenda item during the North-South dialogue including the prime ministers' talks. During our dialogue, we tried to make the North understand the issue of simultaneous entry. This was the reason why we withheld the request for the entry last year. We will continue our efforts for the simultaneous entry. However, in the event that North Korea does not respond, we cannot wait forever for North Korea's response.

Last year, we earnestly talked with the North over this issue. Besides, many UN member nations ardently wished for our entry. Therefore, if North Korea refuses the entry, we are going to enter first into the United Nations independently. But we will never disturb North Korea's entry but will support and welcome its successive entry. Thus, we will make various efforts to cooperate each other and shoulder to shoulder in the international society in order to recover mutual trust and to seek a way for expediting reunification.

[KBS reporter Hong Song-kyu] Japanese Prime Minister Kaifu will visit our country tomorrow. First, will you first tell us if the problem of legal status of Koreans in Japan, the problem of trade imbalance, the problem of technology transfer, or if other pending problems with Japan will be solved on the occasion of his visit to Korea?

In connection with the restructure of the order in Northeast Asia, where great changes are expected this year as a result of the Korean-Soviet summit talks held in Moscow late last year and the moves of Japan and North Korea to establish diplomatic relations, will you next talk about how you will deal with these changes while constantly cooperating with the existing friendly countries, such as the United States and Japan, and harmonizing with China and the Soviet Union?

[No Tae-u] As you have said, Japanese Prime Minister Kaifu will visit our country tomorrow and hold summit talks. Last May I visited Japan and held significant summit talks through which a new level of relations between the two countries was established.

I expect that through the scheduled summit talks, we will attain success in more firmly consolidating relations which the two countries achieved last year in many fields.

The question concerning the legal status of our compatriots is symbolic of the clear eradication of the legacies of the past. An agreement to conclude this matter was reached last year. I look forward to this matter being settled without fail at the summit talks.

In addition, we can expect through today's talks that we will secure Japan's cooperation in correcting the trade deficit in a desirable way and that we will bring about the result of improving neighborly and friendly relations in the field of cultural exchange and other fields.

You also raised the question concerning northward diplomacy and relations between Korea and the United States and between Korea and Japan.

I think that the trends of rapid global changes and the waves of detente and cooperation are finally stretching from Europe to Northeast Asia. It is not too much to say that the normalization of Korean-Soviet relations itself indicates the beginning of the restructure of the order in Northeast Asia. It is predicted that the area on and around the Korean peninsula will go through the greatest postwar changes.

We have maintained diplomatic relations mainly with the United States, Japan, and European Community countries. I think that as a result of northward diplomacy, we have opened diplomatic relations with the Soviet Union, China [as heard], and other East European countries, thus unfolding a new chapter in the history of independent diplomacy.

In view of this new situation, I can note three principal tasks of our diplomacy: The first task is to fully promote national interests in security, political, and economic fields; the second task is to put an end to the cold war on the Korean peninsula and promote peace and reunification with our positive diplomatic capabilities amid the rapidly changing international situation; and the third task is to contribute to peace and prosperity of the whole world and achieve harmony with many of our neighboring countries.

The normalization of relations with the Soviet Union has been followed by economic cooperation, trade increase, the signing of an agreement on scientific and technological cooperation, and the rapid development of friendly relations.

On our relations with China, the two countries have opened trade missions.

The normalization of relations with northern countries is, no doubt, conducive to mutual prosperity, durable peace on the Korean peninsula, and reunification.

Some think that our northward diplomacy and our diplomacy toward the United States and Japan are in interrelations of alternatives. This is wrong. As you know, the cold war between the United States and the Soviet Union has come to an end. Their relations are cooperative. Also, both the United States and the Soviet Union support our northward policy.

In seeking a northward policy, our diplomacy is based on relations with the United States, Japan, and European Community countries.

From this perspective, our relations with the United States, Japan, and the European Community should be properly viewed as more mature partnerships. [passage omitted]

[THE KOREA TIMES reporter Pak Mu-chong] The traditional friendly relations between Korea and the United States over the past 40 years have evolved into somewhat awkward and uncomfortable relations as the United States has pressed Korea to open its markets in a somewhat excessive manner and it has taken issue with our domestic campaign for less consumption. What do you think about this?

The Uruguay Round talks will be resumed late this month. The Uruguay Round negotiations are expected to have a serious effect on our rural economy. Will you talk about how you will deal with this?

[No Tae-u] Let me, first of all, say that we have maintained more solid relations with the United States in security, political, and diplomatic areas than ever before.

Our relations have grown deeper and broader. There is a proverb that growth will include troubles. With relations with the United States widening and deepening, problems will ensue.

The annual trade volume with the United States amounts to more than $40 billion. We began to enjoy a surplus in trade with the United States eight years ago. Thus, friction cannot but occur. Although there is friction, such friction is being resolved through smooth discussions and through constant efforts. The United States, which pursues free trade, basically understands our nation's efforts to remove imbalances. However, I do not mean that all problems between the ROK and the United States have been resolved. There are certainly some problems. In particular, it is true that the U.S. misunderstanding of our country's movement to curb over-consumption and the discontent with the Uruguay Round talks has worsened. I believe that we will reassure the United States on our position and that the two nations will fully understand each other through sincere dialogue and a working-level conference that will be held soon. [passage omitted]

Response to News Conference Mixed

SK0801092091 Seoul YONHAP in English 0827 GMT 8 Jan 91

[Text] Seoul, Jan. 8 (OANA-YONHAP)—President No Tae-u's New Year's news conference was welcomed by the government party and the business community Tuesday, but opposition groups demanded drastic reforms of the government, politics and diplomacy.

Pak Hui-tae, spokesman for No's Democratic Liberal Party, said No had unfolded a "blueprint of hope and dreams" that looked toward the future with enthusiasm because of its humble and modest view of the past. "No's blueprint can come true only when the government's bone-breaking efforts are in harmony with those of each citizen," Pak said.

Pak Sang-chon, spokesman for Kim Tae-chung's Party for Peace and Democracy (PPD), said the PPD welcomed No's call for clean elections, his promise to revise legislation through negotiation and decision not to push ahead with a parliamentary cabinet system of government. Criticizing a lack of concrete proposals to remove the causes of instability and misery in people's lives, he said, "We are sorry we cannot find in No's address any message for people suffering from rising prices or for farmers worrying and frustrating over the Uruguay Round talks." "Nordpolitik," No's diplomatic design to improve ties with communist nations, "should be propelled with internal reforms for without them no long-term fruits can be picked," he said.

Chang Sok-hwa of the opposition Democratic Party said: "No only reaffirmed the incompetence and irresponsibility of the incumbent government by reiterating vague promises to the people. We could not feel any sense of self-introspection or apologies.

"Above else, No should start all over again by carrying the responsibility for having broken his promise early last year that he would achieve political, economic and social stability before anything else, putting the fate of his Sixth-Republic regime at stake."

Chung Mun-hwa of the People's Party, which is the voice of the nation's dissidents and reformist groups, said: "No disclosed the DLP's plot for staying in power after he steps out of power through maintaining the present system of suppression."

"For this purpose, No stressed strengthening the public security forces and showed no will for reforms of the status quo, which is a crackdown upon democratic forces, a trampling down of human rights and the destruction of people's livelihoods." "No also failed to make concrete, progressive proposals to make a breakthrough in inter-Korean relations."

No's address was received with open arms in business circles, which were ecstatic that No's first priority was

reviving the economy through reactivating the manufacturing sector. Economic organizations such as the Federation of Korean Industries (FKI) applauded No for taking direct control of the task force to expand social infrastructure. They also expressed their sympathy to No's decision to battle economic instability just before and after local elections and for easing their fears that they would deluged by corrupt politicians twisting their arms for donations during the campaign.

Rogachev Interviewed on Purpose of Seoul Visit

SK0701121091 Seoul TONG-A ILBO in Korean 7 Jan 91 p 2

[Report on interview with Igor Rogachev, Soviet Vice Foreign Minister, by reporter Yi Chae-ho on 6 January in Seoul]

[Text] "I am pleased to have the opportunity to visit Korea. Even though I have been to North Korea many times, this is the first time I have come to South Korea."

Soviet Vice Foreign Minister Igor Rogachev, 58, who came to Korea at noon on 6 January to attend the first round of ROK-Soviet policy consultative meetings, had a bit of excitement on his face. He repeatedly stressed that he had come to Korea as President Gorbachev's special emissary, and had brought his letter.

Rogachev is reputed to be a first-rate Asia specialist in the Soviet Foreign Ministry. Rogachev, a graduate of Moscow International Relations University and a career diplomat, began his career as councilor at the Soviet Embassy in China, worked as director of the Soviet Foreign Ministry department of Northeast Asian Affairs and director of the department on the Korean peninsula, Chinese, and Mongolian affairs. He speaks fluent Chinese. During the eighties, he took part in U.S.-Soviet negotiations over the settlement of the Afghan situation and Cambodian issues. As he once was deeply involved in discussions on Korean peninsula issues with former Assistant U.S. Secretary of State for Asia and Pacific Affairs Gaston Sigur, he is well versed in this region's situation.

Through a Korean-Russian interpreter accompanying him, Rogachev explained the purpose of his visit as a continuation of the mutual political dialogue and discussions of international and regional problems. These will take place according to the general principles and the Moscow declaration on ROK-USSR relations signed by the leaders of the two countries during the Moscow summit talks."

[Yi] Then, do you mean to say that you are not going to discuss economic issues during the scheduled consultative meeting?

[Rogachev] I expect that a wide assortment of issues, including pressing regional and international issues, will be discussed.

[Yi] Could you please tell us about the content of President Gorbachev's letter?

[Rogachev] I can reveal the content of the letter only to President No, nobody else.

[Yi] I hear that you are going to stop by China on your way back. Are you?

[Rogachev] That is correct. I plan to visit China for working purposes.

[Yi] Do you also plan to visit Pyongyang?

[Rogachev] This time I have no plan to go there. But I may visit Pyongyang in the future.

[Yi] Some surmise that President Gorbachev expressed his willing[illegible] to play the role of a mediator between the South and the North to promote reconciliation between them. What can you say about that?

[Rogachev] As is widely known, the South and the North have their channels for direct contact open already and, therefore, I do not see any need for mediation. However, if our mediation is necessary, we are willing to take on that role. The invariable Soviet policy is that the South and the North should develop dialogue without interruption.

[Yi] I understand that it was First Vice Premier Maslyukov who was expected to come, but he will come to Seoul either at the end of this month or early next month. How different is your visit from one by Maslyukov?

[Rogachev] I came here representing the Soviet Foreign Ministry and Maslyukov is first vice premier in charge of economic cooperation with foreign countries. I was commissioned to visit Korea by the Soviet delegation.

[Yi] Do you mean to say that the economic issues you are going to discuss and those Maslyukov will discuss during his visit to Korea are different?

[Rogachev] I will answer your question in a news conference after the policy consultative meeting.

USSR 'Fully Supports' Seoul's UN Membership

SK0701122591 Seoul YONHAP in English 1157 GMT 7 Jan 91

[Text] Seoul, Jan. 7 (OANA-YONHAP)—The Soviet Union fully supports South Korea's entry to the United Nations and is willing to participate in international talks to ease tension on the Korean peninsula, Soviet Deputy Foreign Minister Igor Rogachev said Monday.

Rogachev, leading his delegation to the first Korea-Soviet policy consultation talks, also promised he will notify Seoul officials of any new information regarding the 1983 Korean Air downing by a Soviet fighter.

The Soviet Union respects universal principle of the U.N. and believes all nations which recognize the U.N.

Charter should join, Rogachev said. Therefore, the Soviet Union fully understands that South Korea should become a full member, the deputy Soviet minister said. The most ideal way, however, is for South and North Korea to arrive at a compromise, he said.

Rogachev arrived in Seoul Sunday with a personal letter from his President Mikhail Gorbachev, addressed to South Korea's President No Tae-u. His visit is seen as Moscow's hopes of early agreement with Seoul for economic aid and cooperation. Monday's consultation was attended by Ambassador to Moscow Kong No-myong and Soviet Ambassador to Seoul Oleg Sokolov. Deputy Foreign Minister Yu Chong-ha headed the Seoul delegation.

Moscow is also fully willing to participate in talks among neighboring countries regarding South-North Korean relations if it will lead to an international guarantee for the settlement of peace on the Korean peninsula, Rogachev told the meeting.

Addressing recent reports that the Soviet Union had recovered the remains of 269 victims of 1983 downing of a Korean Air jetliner and secretly burned them, Rogachev expressed regrets at the loss of their lives and pledged to report to Seoul of any new findings. Soviet newspaper IZVESTIYA reported Dec. 20 that Moscow had recovered the wreckage from the 1983 incident where a Soviet fighter shot down a Korean commercial jet with 269 people aboard when it strayed into the Soviet airspace.

The report was most likely based on stories from the United States, Rogachev said, adding he believes IZVESTIYA was not able to attain detailed information. However, it will not help in future development of bilateral relations for the people to become too emotionally excited by the incident, he added.

The Soviet delegation, initially scheduled to leave for China Tuesday, has extended their stay until Thursday. They will be meeting with Trade and Industry Minister Yi Pong-so Wednesday to discuss economic cooperation.

North's Message to South Government Reported

SK0801122691 Seoul YONHAP in English 1202 GMT 8 Jan 91

[Text] Seoul, Jan. 8 (YONHAP)—North Korean Prime Minister Yon Hyong-muk sent a telephone message to his South Korean counterpart, No Chae-pong, Tuesday, saying that he would let his liaison officials to convey to the South letters addressed to leaders of the South Korean Government, political parties and social organizations at the truce village of Panmunjom Wednesday.

The letter was adopted Tuesday at a joint meeting in Pyongyang of representatives of the North Korean Government, political parties and social organizations, informed sources here said.

South Korean officials said Pyongyang is believed to propose in the letter to hold an inter-Korean "political conference for national reunification" with leaders of governments, political parties and all social organizations attending as has been suggested in North Korean President Kim Il-song's New Year address.

North Agrees to 15 Jan Date for Sports Talks

SK0801063791 Seoul YONHAP in English 0627 GMT 8 Jan 91

[Text] Seoul, Jan. 8 (YONHAP)—North Korea has agreed to hold the second round of inter-Korean sports talks on exchanges and forming joint teams for international events on Jan. 15.

Kim Hyong-chin, chief North Korean delegate to the talks, sent a telephone message to his southern counterpart, Chang Chung-sik, on Tuesday agreeing to the date and the venue.

Chang had proposed in the first inter-Korean sports talks on Nov. 29 last year that the second-round talks be held on Jan. 15 at the "peace house" in the southern part of the truce village of Panmunjom.

There was no progress in that meeting as Seoul insisted on discussing exchanges and Pyongyang demanded that they talk about forming a joint Korean team for international sports meets, including the world table tennis championship in Japan in April.

Continuing Series on Former North Commander

Yu Song-chol's Testimony Part 16

SK0701101591 Seoul HANGUK ILBO in Korean 25 Nov 90 p 10

[Part sixteen in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, co-written with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]As Soon as I Submit My Petition To Depart for the Soviet Union, it is Immediately Approved

As I headed on the train to Hamhung, I held the letter and the dispatch orders sending me to the Cadre Department of the Hamgyongnam-to Provincial Party close to my chest as though it were a valuable treasure.

I firmly believed that these documents were orders rehabilitating me, thus bringing an end to my severe eight-month-long ordeal which began the moment I started undergoing thought examination.

When I arrived in Hamhung and proceeded to the Provincial Party office, the chairman happened to be out of the office. I met the vice chairman and handed him my dispatch orders and the sealed envelope.

The vice chairman treated me with courteous respect, welcoming me as though he knew that I had worked as

the commander of the Korean People's Army [KPA] Operations Bureau. He said, "You must have had a difficult time coming such a long way. I will consult with the chairman, so please come back in three days."

I found an inn near the Provincial Party office, returning to the office on the scheduled date.

The same vice chairman whom I had just met a few days before had a completely different attitude. He was extremely arrogant towards me, telling me in blunt language to "wait a few more days."

I explained my situation: "I am running out of lodging money, so I cannot stay a long time." He snapped back at me in anger. "We will take care of all of that," he said. "Quit your complaining."

Having returned to the inn, I pondered the reason for his sudden change of attitude. Suddenly I became suspicious that the sealed letter which I had passed on to him, far from my naive expectations, may actually have said that I was an impure element who had been purged, and may have provided instructions to inflict some kind of injury on me.

In fact, from what I heard later on, the letter informed them that I was an "antiparty, antirevolutionary element." However, I was unable to confirm whether the letter instructed them on how to "deal" with me.

In any case, as soon as that thought hit me, I was struck by the fear that I might be executed in this unfamiliar place where nobody knew me.

There were numerous cases where high-ranking personnel who were purged in North Korea died suspiciously in some remote location, similar to the way Ho Ka-i and Kim Tu-pong met their ends, as I mentioned earlier.

Remembering those cases, I immediately returned to Pyongyang.

Even after returning to Pyongyang, however, I still had no sure way to make a living. Therefore, I reluctantly sent off a letter of reflection to Kim Il-song. In the letter of reflection, I admitted that "In concentrating on military matters, I have neglected my political duties." I appealed to Kim: "If you should give me another position, I will render devoted service with the same volition which we had when we fought together in the anti-Japanese revolutionary struggle."

I heard indirectly that Kim Il-song had read this letter of reflection himself and issued instructions to give me a job, but in the end I never heard anything more about this.

Instead, Kim Il-song was in the middle of a merciless purge of the military at this time. This made me feel even more anxious. The atmosphere at the time was one of uneasiness, as everyone was trying to get a feel for "who was the target of today's purge?"

Also at this time, I was shocked when I heard after the fact that members of the Yenan faction such as Front Line Commander Kim Ung, 4th Division Commander Chang Pyong-san, and Pyongyang Aviation Commander Wang Yon were all detained on charges of plotting a military revolt.

However, this was a detestable scheme fabricated by Kim Il-song to purge the Yenan faction. I also happened to be directly concerned with this matter.

The following is the inside story of the incident, from what I know.

In the middle of 1956, before I departed to study in the Soviet Union, Kim Kwang-hyop, who at the time was chief of the General Staff, called all of the major military commanders to his office and held a secret meeting.

Before the Korean war broke out, Kim Kwang-hyop, a partisan, was the commander of the Second Auxiliary Command Post, preceding Mu Chang. As war began, however, he was demoted to become the chief of staff. In 1953 he rose again to become chief of the General Staff, succeeding Nam Il. Such were the vicissitudes of Kim's career.

Kim Kwang-hyop instructed his commanders at this meeting to develop a plan for suppressing antigovernment uprisings, should one occur. Unaware of what was going on, I thought to myself, "What kind of plan for suppressing a revolt do they think they can devise without even consulting the Operations Bureau commander?"

The revolt suppression plan developed at this time was later transformed into a "military revolt plan" which was used in the purging of the Yenan faction. Kim Il-song used this document as the basis to fabricate the charges that Yenan faction military cadre such as Chang Pyong-san and Wang Yon with Kim Ung as the master mind attempted a coup d'etat, claiming that they went so far as to mobilize aircraft at Pyongyang and Wonsan.

As I trembled with fear that I would naturally be implicated in the plot, I went to visit my friend Pak Kil-nam, the commander of the KPA Engineer Bureau. Pak Kil-nam, who had undergone thought examination as I had, informed me, "Right now, Kim Il-song has a list of those to be purged which is divided into three types of banishment. The first category is those who will be executed. The second category is those upon whom indefinite hardship will be inflicted. The third category is those who would be deported if they wish to leave the country. We fall into the third category."

Hearing this, I could not help but decide to return to the Soviet Union, if only to save my life.

I sent off a petition to the party stating: "As I have relatives in the Soviet Union, I will go there and live."

The moment this petition was received at the party they gave approval which instructed me to "immediately

depart tomorrow," as though they had been waiting for my request. What made them so receptive to my departing country was that at the time Khrushchev, General Secretary of the Communist Party of the Soviet Union, was scheduled to come to North Korea after visiting China. Hoping to expel a troublesome Soviet faction member like myself before Khrushchev arrived, they gave approval.

As soon as I received the authorization to depart country, I went to talk with the Soviet consular section. They advised me, "Although we can provide you with a house, it would be good to prepare some money before you leave."

Therefore, I sold all my prized possessions which were of any value, such as my military uniforms, and was able to put together 200,000 North Korean won. In December 1959 I finally departed North Korea for the Soviet Union.

At the time, the number of persons who had been purged and had been semi-forced to flee to the Soviet Union like myself exceeded 400 individuals, including family members. Of those people whom I remember now, there were countless individuals, including Lieutenant General Pak Kil-nam, commander of the Engineer Bureau; Lieutenant General Yun Song-pok, deputy commander of the Reconnaissance Bureau; General Choe Chong-hak, Chief of the General Political Bureau of the Ministry of the People's Armed Forces [MPAF]; Major General Kim Ku-song, vice-bureau commander in the MPAF; Lieutenant General Kim Chae-uk; Lieutenant General Ki Sok-pok; Lieutenant General Han Il-mu, Chon I-hwan, commander of the MPAF Ordnance Bureau; and Senior Colonel Yi Soe-ho, head of the Naval Officer Candidate School. [Although the Ministry of National Defense (Minjok Powi Song) did not become the Ministry of People's Armed Forces (Inmin Muryok Pu) until 1972, the term used here is Inmin Muryok Song, and is translated as MPAF].

Even my brother Yu Song-hun was ensnared in thought examination when I departed North Korea.

My brother was one of a large number of Soviet-born Koreans who came to North Korean en masse in 1946 to help in the founding of the country during the Soviet military government period. He worked as an instructor at the Sadong Cadre School which was the first to train the managers of the Worker's Party of Korea and the North Korean government.

Following this, my brother was picked as the first vice-president of Kim Il-song University when it was established in 1947. Although the university president at the time was *Kim Tu-pong, the leader of Yenan faction*, he only ostensibly served in the position. In reality, Yu Song-hun acted as the president.

My brother usually did not have a high appraisal of Kim Il-song. He once voiced his concern that "Kim Il-song is very ignorant about politics." Yu Song-hun also had a very close relationship with Ho Ka-i.

With all of these factors at work, it was inevitable that Yu Song-hun became a target for purging.

The excuse which was used to entrap my brother Yu Song-hun and subject him to thought examination was a comment he made after he had been promoted to president of Kim Il-song University. Concerning a 20-won pay increase for instructors, he remarked that the raise equaled "the price of two bowls of noodles."

Because of the severity of his thought examination, Yu Song-hun came down with hepatitis. In 1961 he was expelled to the Soviet Union as I had been. There his hepatitis worsened and he met his dismal end at the Kuruji [as published] resort area in 1966. Kim Il-song was the prime mover behind driving my brother to such ruin.

In September 1945, I returned to North Korea determined to do something valuable for my newly-liberated fatherland. In the end, I returned to the Soviet Union in vain after being thoroughly used by Kim Il-song.

As I crossed the Soviet border with my family, I repeatedly cursed Kim Il-song and swore never to set foot again on North Korean ground as long as he was alive.

In May 1990, however, I ended up breaking my own promise by returning to North Korea after 29 years.

Yu Song-chol's Testimony Part 17

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[Part seventeen in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, co-written with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**After Being Dramatically Reunited With My First Love in the Middle of the War, We Marry**

As I conclude my story of how I met a young Soviet captain by the name of Kim Il-song when I was at the 88th Brigade at Khabarovsk and how, after willingly offering my services to him in making North Korea his personal monarchy, I eventually was betrayed and expelled to the Soviet Union, I feel a responsibility to comment concerning my wife Kim Yong-ok and our family as well.

Kim Yong-ok met me in Pyongyang in 1951 and has passed the last thirty-some years with me. She is a magnificent companion who has always watched over me and given encouragement with love and affection, whether it be during the times of the trials and tribulations of the purges in North Korea or whether it was when my body was crippled by the three epileptic strokes I have suffered since returning to the Soviet Union.

Also, I believe it is significant to discuss her because of her contributions to my recollections of the war resulting from her service in the Korean war as a nursing officer of the Korean People's Army [KPA], one who even served at the Nakdong River Line.

There is a dramatic side to how we met which can only be explained using the Buddhist term karma.

The first time I met her was toward the end of September 1945, immediately after I returned to North Korea from the Soviet Union. At the time, I was working both as an interpreter and as a Soviet military police officer at the Soviet Forces Pyongyang Guard Headquarters. One day I made a trip to the Pyongyang Motion Picture Management Office to check on whether films which had been received from the Soviet Union were being amply distributed throughout North Korea.

The moment I stepped into the Motion Picture Management Office, the very first thing to capture my eye was a young girl dressed in a cute Korean dress who was working there. The first impression of this girl was enough to capture a young bachelor like myself, with her bright face and adorable thin double-eyelid eyes opened widely staring at an unfamiliar soldier.

I asked here a businesslike question: "Are the motion picture films being distributed well from the social organization?" In doing so, I also surreptitiously asked her name. It was Kim Yong-ok.

From this day on, whenever I had some free time I went to visit her office under the pretense of official business. Later, we became close enough so that we even had two rendezvous by the side of the Taedong River. At this time, even though I was twenty-eight years old and she was only sixteen, I decided to marry her.

Her parents were Christian deacons with strong beliefs. Even so, they still treated a Soviet soldier like myself comparatively well.

One day, her two older brothers came to me and told me, "Since Yong-ok is still young and has to study some more, wait until she is finished with her studies if you wish to marry her."

After this one-sided advice, we stopped seeing each other.

Encountering such a setback with my first love, I anguished for quite while, because I was unable to forget her.

In order to fill the void in my heart, I lived for awhile with a woman who had taken care of me at the official residence of the Soviet military. I also became close to a woman named Choe Kum-sun who worked in the same office as I. However, I was to be frustrated again as the Soviet military political committee disallowed marriage with both of these women because of their lack of education. My oldest daughter Yu Hui-pok (42) was the offspring of the woman with whom I had lived.

With the outbreak of the Korean war, all personal affairs were put aside as I had to totally immerse myself in the war.

In the spring of 1951 when the war had reached a lull, as a lieutenant general in the KPA, I came to attend a symposium on women who were participating in the war. The symposium was sponsored by the Ministry of National Defense and was held at the Chinese People's Volunteers motion picture studio in Pyongyang. A familiar nursing officer (lieutenant) appeared at the symposium. It was Kim Yong-ok, my first love with whom I had broken up six years before.

Still not quite believing our dramatic reunion, we sat and talked about what had gone on since we had seen each other last.

After we broke up, she had graduated from the Chongui Girls School which was established by American missionaries in Pyongyang. In 1947, she entered the Pyongyang Medical School and majored in obstetrics and gynecology.

She graduated from the school at the top of her class in 1949. It was customary at the time for the top graduate of the Pyongyang Medical School to be appointed a KPA field army nurse as a revolutionary soldier.

Accordingly, while serving as a field hospital nurse (noncommissioned officer) she received military training to include drill, marksmanship, physical training, and tunnel digging. She met war after being deployed to a unit in the vicinity of the 38th Parallel on 16 June 1950.

As soon as war broke out she was commissioned as a junior lieutenant, becoming a nursing officer. She followed the advancing KPA southward through Yonchon, Uijongbu, and into Seoul.

This was the first time she set foot in Seoul. She even went into both the Capitol Building and the Kyongmudae (currently the Chongwadae).

In the Kyongmudae, she picked up a few pictures of President Syngman Rhee and some silver spoons and chopsticks. She told me that as they advanced southward from Seoul she always used these silver spoons and chopsticks whenever they ate, and that she even inspected them in case they had been poisoned.

Yong-ok lost both of her elder brothers during this period. Her oldest brother Kim Yong-song served as a division political commissar at the very front line and was missing in action. Her second oldest brother Kim Yong-chu was a soldier with the 105th Tank Division and died in combat in the Suwon area.

Her primary responsibility was in the rear area, evacuating patients. As the Nakdong River battle became prolonged and the number of war casualties increased,

she was reassigned to the KPA 4th Division and went down as far as Chinju to look after patients in a field hospital.

The tide of the battle shifted with the amphibious landing of U.N. forces at Inchon, however, and when the route of retreat became blocked, her unit was disbanded and everyone had to retreat on their own.

The unit commander told them to retreat individually following along mountainous areas. They were instructed to assemble first at Sobaek Mountain and then at Taebaek Mountain.

In accordance with these instructions, she first retreated with remnants of the KPA along the Sobaek and Taebaek Mountain Ranges.

One can easily imagine the suffering and hardships she endured as she fell back through this rough mountainous terrain.

The group that she was with moved for only very short intervals along mountains and hills to avoid U.S. air raids. They rested deep in the woods during the day. Although it was difficult for her to keep up with the battle-seasoned soldiers of the KPA, thanks to her military training, which included guerrilla training, she says that she never fell out of ranks.

Because they were retreating without any prior preparations, however, all of their provisions ran out along the way and they suffered severely for it. The group she was with either went down to a nearby village to obtain some rations, or when even that was not enough, they even ate such things as wild berries, arrowroot, and grass to satisfy their hunger.

At the end of this suffering she arrived safely in Hwanghae-to. She contacted her headquarters via radio and returned to Pyongyang.

In 1951 she was promoted to lieutenant and was once again working in the field hospital when she happened to meet me again.

At our first reunion I asked her point-blank to marry me. Of course I frankly confessed about my past relationships with other women.

However, she refused my proposal, saying that she already had a fiancee.

I did not give up. After issuing orders to have her transferred to the Operations Bureau, I persistently continued to contact her .

In the end, she finally succumbed to my courting. After convincing her parents, who had opposed our marriage since I already had a child, we were married in the fall of 1951.

Together we have had three boys.

The oldest boy, Hung-kun (36, Soviet-name Gollai) was born in 1954 in Pyongyang. After graduating from Tashkent Middle School and a computer technical training institute, he now works as a computer technician at the Tashkent military weapons factory. Since he is a grade-one technician, he does comparatively well; however, we are concerned that we have not been able to marry him off yet.

My second eldest son, Hung-chon (35, Soviet-name Allosya) also graduated from the Tashkent Industrial School and is working as an electrical technician. He married a Korean girl and has one son.

My youngest son Yura (28) was born after we returned from North Korea. Although he had worked as a truck driver, he is currently resting at home since his foot was seriously injured in an accident. My youngest son was named after the Soviet Union's first astronaut Yuriy Gagarin.

Huibok, the daughter I mentioned earlier, graduated from Tashkent Normal College and is working as a planner. She lives alone, her first marriage having failed.

Shortly after returning to the Soviet Union I was struck by palsy and was unable to work.

Fortunately, the Soviet authorities recognize my combat experience as comparable to having served in the German-Soviet war, so I receive a small pension. Although I served in a Soviet reconnaissance unit which was fighting for the liberation of my fatherland, my pension is tantamount to the Soviet Union's, not my fatherland North Korea's, recognition of my meritorious service.

* DPRK Military Leadership, Tactics Examined

912C0049A Seoul WOLGAN CHOSON in Korean No 12, Dec 90 pp 166-187

[Article by Yu Yong-won: "North Korean Military Leadership"]

[Excerpts] Chapter I. Partisan Generation and Military Connections

Number of Vice-Defense Ministers Unknown

Of all the North Korean delegates arriving in Seoul on 4 September to attend the high-level inter-Korean talks, the spotlights of the press cameramen converged on General Kim Kwang-chin, (72), vice minister of the Ministry of People's Armed Forces. He graduated from a high school, an artillery school, and the Far Eastern University in the Soviet Union, and he is an expert on Soviet affairs and has the nickname of "doctor of artillery."

Minister Kim, regarded as a moderate, participated in the Korean war as deputy commander of an artillery division for artillery technology and was promoted to the commander of the artillery in 1972. He is also a member

of the WPK [Workers Party of Korea] Central Committee. He has been dispatched overseas on a number of occasions as a member of military delegations and has attended meetings with foreign delegates visiting North Korea. He visited the Soviet Union in January as head of the delegation, and last June he sat in on Kim Il-song's talks with PLO Chairman Arafat in Pyongyang .

A new fact came to light during his three days and four nights stay in Seoul. Our National Reunification Board and intelligence agencies had had no accurate information on the exact number of the North Korean vice ministers of the People's Armed Forces, except that the number is three, or four, or five. Asked how many vice ministers there are, Kim Kwang-chin reportedly said there are four of them.

The scanty knowledge of the fixed number of vice ministers of the People's Armed Forces (the post corresponding to our vice minister of defense) and on the personal backgrounds of North Korean personages is indicative of the limits of our information collection ability on North Korean personages. In the words of a source well informed on intelligence on North Korean affairs: "It is a fact that we do not know what the fixed number of vice ministers of the People's Armed Forces is, and we are in the dark even as to whether the number is fixed or not."

The Ministry of the People's Armed Forces, which corresponds to our Ministry of National Defense, executes important defense policies under the direction of Commander in Chief Kim Il-song. The directives are delivered through the National Defense Commission (chaired by Kim Il-song) within the Central People's Committee. The organization of the North Korean Armed Forces varies between peace and war times, and it is a kind of uniform command which is controlled by the chief of the general staff (corresponding to the chairman of the Joint Chiefs of Staff in the South) under the minister of the People's Armed Forces. Under the General Staff, the North Korean Armed Forces consist of various components, including the mechanized command, the navy command, the air command, the artillery command, and nine corps.

In time of war, a supreme command is set up under the party's National Defense Commission, and Kim Il-song becomes the commander in chief, and the minister of the People's Armed Forces becomes his deputy commander. Under the General Staff, a forward command is also set up to command fighting in the field.

All powers within the North Korean Armed Forces are concentrated on Kim Il-song. In peacetime he exercises his absolute authority as president, commander in chief of all the Armed Forces, and chairman of the National Defense Commission, and in wartime as the commander in chief of the People's Armed Forces. The concentration of policymaking powers on Kim Il-song lends itself to the speedy and effective execution of decisions, but on the other hand, it seems to have the demerit of lacking checks and balances.

In North Korea a general is called "changnyong." According to its ranking system, which is somewhat different from ours, there are four ranks of general, namely, major general, lieutenant general, senior general, and full general. It is surmised that by and large, the highest commanders, such as the minister of the People's Armed Forces and the chief of the General Staff, are appointed from among the generation of the anti-Japanese partisans, that is, the first generation of the revolution; and frontline commanders, such as division commanders, from among the graduates of the Institute for the Bereaved Children of Fallen Revolutionaries, namely, the second generation of the revolution. The Military Security Cadre School, of which Kim Kwang-chin is a graduate, is also an elite course for military careerists.

North Korea expanded and strengthened the National Defense Commission at the 18th Plenum of the Sixth Party Central Committee convened on 23 May. Kim Chong-il became the first vice chairman, a newly created post, while O Chin-u, vice minister of the People's Armed Forces, and Choe Kwang, chief of the general staff, were appointed as vice chairmen of the commission. Kim Chong-il's appointment to a public post not as president or vice president of the State, but as first vice chairman of the National Defense Commission, is interpreted as a move to strengthen his power base in the military.

On the following day, 24 May, the first session of the Ninth Supreme People's Assembly (SPA), the highest institution under the North Korean Constitution, and corresponding to our National Assembly, was called into session. In this session, Choe Kwang, chief of the General Staff, was promoted to the eighth ranking member of the Party Political Bureau, and Senior General Kim Chol-man was named as candidate member of the Political Bureau. The Party Political Bureau, the nucleus of the party, consists of 14 full members and 10 candidate members. These Political Bureau members are regarded as belonging to the generation of the anti-Japanese partisan fighters, namely, the first generation of the revolution, and the change in this power organ is interpreted as the resurgence of the first generation of the revolution.

First Generation of Revolution at Power Center

The first generation of the revolution, which demonstrated its sustaining power through the latest reorganization of the power center, refers to the former anti-Japanese partisan fighters who were active under the direct command of Kim Il-song in eastern Manchuria in the mid-1930's. Since the establishment of the North Korean Government in 1945, they have had ups and downs while at the power center. To name some of the

typical incumbent figures among them: O Chin-u, minister of the People's Armed Forces; Vice President Pak Song-chol; Choe Kwang, chief of the General Staff; Kim Chol-man, candidate member of the Party Political Bureau; Paek Hak-nim, minister of public security; and Generals Chu To-il, Yi Tu-ik, and Yi Ul-sol.

Of these figures, Choe Kwang's star has recently been rising fast. He was once purged in 1969, and subsequently was rehabilitated for the first time in 10 years, and then rose to the post of chief of the General Staff succeeding O Kuk-yol in February 1988. A native of Huchang, North Hamgyong Province, Choe Kwang was active as a member of Kim Il-song's anti-Japanese partisan unit beginning in 1935. He also took part in the Soviet military operation against Japan in 1945. He entered North Korea after Korea's liberation on 15 August 1945 and took part in the formation of the Kim Il-song regime and the creation of the Korean People's Army (KPA) in North Korea. During the Korean war, he joined the fighting as division commander.

After the Korean war, he successively served as superintendent of Kang Kon Military Academy and vice minister of national defense before becoming the KPA chief of General Staff in 1963. While on the promotion track, he was even named as candidate member of the Political Bureau in 1966. However, in 1969 he was purged and deprived of all his posts, on the grounds that he failed to report on time the anti-Kim Il-song move engineered by hardliners Kim Chang-pong and Ho Pong-hak despite the fact that he had had an inkling of it. He was reduced to the status of a miner.

While working as a miner, he toiled so faithfully that his sincerity impressed those at the power center. Learning of Choe Kwang's hard work as a miner, Kim Il-song reportedly exclaimed over his sincerity: "Choe Kwang is Choe Kwang; Choe Kwang has been reborn." Choe Kwang reportedly owed much to his wife for his rehabilitation. He was appointed as chairman of the South Hamgyong Provincial People's Committee in 1977. Since October 1980, he had steadily maintained his 20th rank in the party before he was appointed as chief of the General Staff in February 1988, the post he had retaken for the first time in 25 years.

Reportedly, since his reappointment as chief of the General Staff, Choe Kwang has been doing his utmost to strengthen within the military the system for the succession of power from Kim Il-song to his heir. In his report to the "meeting of pioneers in the movement to win the red flag of three revolutions" held at the 28 February Hall of Culture in Pyongyang on 28 September, Choe Kwang, recalling how "the movement to win the red flag of three revolutions" was launched at Kim Chong-il's initiative, stressed the need to wage this movement vigorously, alongside of the "red company movement," under the slogan "let the whole Army become the standard bearer of three revolutions" so that the servicemen may steel themselves in politico-ideological terms and improve themselves in terms of military skills. An expert on North Korean affairs said that "Choe Kwang, a believer in weapons, is an expert on modern warfare." He added that it is highly possible that the modernization of the North Korean Armed Forces, including the introduction and development of new weaponry, has been pushed at his initiative.

Choe Kwang has had extreme ups and downs while swinging between both ends of power, whereas O Chin-u, minister of the People's Armed Forces, has had smooth sailing on a promotion track. O Chin-u ranks third in the power hierarchy, only next to Kim Il-song and Kim Chong-il, and has maintained his post as minister of the People's Armed Forces for the past 14 years since 1976. He is concurrently a Standing Committee member of the Party Political Bureau, a member of the Party Central Committee, and an SPA deputy. He is also a vice marshal, a rank just below Marshal Kim Il-song. He was born in Pukchong, South Hamgyong Province, in 1910. In or about 1935 he joined Kim Il-song's anti-Japanese guerrilla unit, and in 1945 he entered Pyongyang, where he became active as a charter member of the KPA.

O Chin-u participated in the Korean war as a major general and was promoted to general in 1964 after successively serving as the commander of the KPA III Corps and the Air Force commander. While Kim Il-song was consolidating his power base by purging the South Korean Workers Party faction, the pro-Soviet faction, the Yenan faction, and the native faction (directly under Kim Il-song), O Chin-u is said to have played a significant role in this series of purges, thereby strengthening his own position.

O Chin-u played a leading role in purging the native faction, the largest of all the factions in North Korea. At the 15th Plenum of the Fourth WPK Central Committee held in May 1967, he declared that: "Comrade Kim Il-song's teachings and party policies are not being correctly implemented because the party unitary ideology system has not been fully established, and Pak Kum-chol and his cohort should be held responsible for this." His attack contributed to the purging of the native faction.

O Chin-u, the Military's Godfather

At the fourth plenary session of the Fourth KPA Party Committee convened in January 1969, O Chin-u criticized Kim Chang-pong, then minister of national defense (corresponding to our defense minister) on 13 specific charges of antiparty factionalism; and reportedly, in recognition of this exploit, O Chin-u was named as KPA chief of the General Staff.

His position has been strengthened since Kim Chong-il was named as the heir at the secret meeting of the WPK Central Committee in 1973. In 1977, O Chin-u concurrently held the two posts, minister of the People's Armed Forces and the chief of the General Staff, and in 1985 won the title of vice marshal. At the SPA session this May, he was named as vice chairman of the National

Defense Commission, next to First Chairman Kim Chong-il, thus reassured of his position as number-three man.

In 1964 O Chin-u visited Indonesia and Burma in his capacity as head of a KPA military delegation. He also has been very active in diplomacy overseas, touring the Soviet Union, China, Cuba, as well as East European and African countries. A KPA deserter said that: "O chin-u is the man who plays his role as the KPA representative," adding that: "Nevertheless, the full power of the military is in the hands of the chief of the General Staff, and the director of the Bureau of Operation is the man who exercises the right of command in reality."

Among other figures of the first generation of the revolution who are influential within the North Korean military, besides Choe Kwang and O Chin-u, are: Paek Hak-im, minister of public security; and Generals Chu To-il, Yi Ul-sol, and Yi Tu-ik.

Public Security Minister Paek Hak-im (69), who corresponds to our director general of the National Police Headquarters under the Home Affairs Ministry, participated in the Korean war as a regimental commander. He studied in the Soviet military academy. He was named a member of the WPK Central Committee in 1970, a vice minister of the People's Armed Forces in 1979, and promoted to general and named as minister of public security. Around his birthday in October 1988, he was awarded the title of hero.

General Yi Ul-sol, commander of the Pyongyang Defense Command, the post corresponding to the commander of our Capital Defense Command, is known as a typical case in which one obtained success in his military career by starting out as Kim Il-song's orderly in the days of the anti-Japanese partisan struggle. Yi was appointed as commander of the V Corps in 1962. After being purged in 1974, he was named as chairman of the WPK South Hamgyong Provincial Committee. He has been the commander of the Pyongyang Defense Command since 1985. [passage omitted]
stated

Many of those who are called Kim Chong-il's royal guards, between 50 and 60 years of age, are graduates of what is known as the "institutes for the bereaved children of fallen revolutionaries," which were founded for the privileged education of the children of the victims of the anti-Japanese revolutionary struggle and of the Korean war. There are three of these schools all together, located in Mangyongdae, Nampo, and Haeju respectively, to care for the children of those belonging to the first generation of the revolution and educate them into party and government cadres.

In Mangyongdae [Revolutionary] Institute's case, matriculation is limited to the bereaved children of fallen revolutionaries and the children of high-ranking officials, and the school is regarded by the populace as a "school for nobility." The institute was founded in October 1947, and all of the students are quartered in the dormitory.

The students, attired in officers' uniforms, live a barrack-like group life for 11 years, receiving group and military training. Upon graduation, they are admitted to Kim Il-song University, or find jobs in party and government organizations, or are commissioned as military officers on a preferential basis. The current enrollment totals about 1,000.

Graduates of this school occupy key positions in various fields. Among those placed in the military, which may be regarded as the primary power base, are: beginning with Kim Kang-hwan, member of the Party Military Commission; Air Force Commander Cho Myong-nok; Navy Commander Kim Il-chol; Artillery Commander Choe Sang-uk; Special Forces Commander Kang Chang-su; Yi Pong-won, member of the Party Military Commission; and General Kim Tu-nam.

O Kuk-yol, former KPA chief of the General Staff, who played a vanguard role in the military in strengthening the groundwork for the hereditary succession of power by Kim Chong-il, is one of the Mangyongdae graduates who are at the center of attention. After being relieved of his post as chief of the General Staff in February 1988, he was demoted to the 32d in ranking in the list of the members of the funeral committee for Kim Chun-chu announced in February in that year. Since then there has been no particular move on his part. Currently, he is the civil defense chief of the Party Military Commission. With respect to his replacement by Choe Kwang, who belongs to the first generation of the revolution, as chief of the General Staff, some interpreted it at that time as proof that there was a considerable opposition within the military against Kim Chong-il's hereditary succession to power.

O Kuk-yol, born in Jilin Province, Manchuria, entered the Soviet Air Force academy in 1962 and graduated from it at the top of the class. After serving as Air Force chief, he became chief of the General Staff in 1979. He had continued on his smooth promotion track until he was relieved of that post in 1988. He has dropped out of the ranking list altogether, but he does not seem finished completely. One North Korean deserter, a former KPA officer, predicts that O Kuk-yol will stage his comeback in two to three years.

The former North Korean officer said: "He is Kim Chong-il's right-hand man. It is highly possible that his appointment as commander of what is equivalent to our civil defense force was due to a policy consideration because he was not well acquainted with that field. What O Chin-u is to Kim Il-song is what O Kuk-yol is to Kim Chong-il. It is also an interesting fact that O Chin-u and O Kuk-yol are distant relatives. In North Korea there are many cases like Choe Kwang in which people stage a comeback after being shoved out."

The graduates of Mangyongdae Revolutionary School and the three revolutions teams [TRT's] make up the core of Kim Chong-il's power base within the North Korean military. The TRT, made up of three members, tours military units inspecting three to four companies once every three to six months. It keeps tabs on what is going on in the military, under the pretext of rendering cooperation, and files a daily report. For this reason, TRT's are disliked within the military. [passage omitted]

1 Million Strong, Questionable

The last year's edition of "Military Balance" estimates the size of North Korea's total force strength at 1.04 million (990,000 according to the Defense White Book), stirring controversy over the numerical strength of North Korea's Armed Forces. Early this year, the American CIA also announced that North Korea's military manpower exceeds 1 million men, backing up the figure given by "Military Balance." Recently, some even claim that the numerical strength is as high as 1.2 million. The figure 1.04 million represents a whopping 20 percent increase over the estimate given in the preceding year. The number of soldiers per 1,000 (among the population of 22 million), calculated on the basis of 1.04 men in uniform, is 47, which is higher than the peak figure of 43 for Japan during World War II.

An interested official said that he thinks the increment was due to the different method employed in analyzing the North Korean table of military organization. But an expert expressed doubts about the figure citing the economic difficulties confronting North Korea and the large number of men in uniform mobilized in construction projects. The earlier editions of "Military Balance" noted an annual 120,000-man increase between 1978 and 1979, the period in which a partial withdrawal of U.S. forces from Korea was at issue, and an annual 110,000 increase between 1980 and 1981, the early days of the Reagan administration. [passage omitted]

Kim Il-song Chuche Strategy 'North Koreanized'

[passage omitted] Addressing the Fifth WPK Congress in 1970, Kim Il-song reportedly announced the establishment of what is known as chuche-based Kim Il-song strategy, stressing the combined use of topographical conditions and guerrilla warfare. This strategy has combined ingredients of the Soviet strategy of large-scale use of forces, the Chinese idea of a people's war making use of small-size guerrilla units, an evaluation of and a reflection on the Korean war, and Kim il-song's own experience in partisan fighting.

The four-point military line, which is familiar to us, reportedly is based on North Korea's experience in the Korean war. The four-point military line consists in placing all of the people under arms, the fortification of the whole country, the modernization of the whole armed forces, and the conversion of the whole armed forces into a cadre army. The formulation of this line must have had something to do with the fact that at various conferences Kim Il-song used to express his regret at the failure to arm the whole nation and the weak air and coastal defenses during the Korean war.

In examining North Korea's military policy and strategy, we should consider it in a broader perspective. Experts stress that North Korea's military policy and strategy is a concept ranking in importance below its reunification policy and strategy toward South Korea and it is determined according to the reunification strategy.

There are two ways of reunification, peaceful and non-peaceful, and either of them is oriented toward the dominance of their socialist system. The backbone of their reunification strategy is what they call the three major forces of the revolution, and it is said that it is highly possible that their decision as to whether or not to use force will depend on their evaluation of the revolutionary forces in South Korea. In other words, experts say that when North Korea concludes that the South Korean society has fallen into chaos to the extent that it is difficult to maintain the South Korean Government, or that the forces supporting North Korea have increased strikingly in South Korea, there is a great possibility that North Korea will launch the so-called fatherland liberation war.

According to the prevailing view, North Korea has "North Koreanized" its tactics, the concrete way of putting the strategy into practice, to suit actual conditions in the North. According to the author's analysis, North Korea used mainly the Soviet weapons and Soviet strategy during the Korean war, with a mixture of the Chinese guerrilla tactics and Kim Il-song's experience in the anti-Japanese partisan warfare. Of the Soviet tactics adopted by North Korea, the so-called in-depth maneuver is most important.

Under this operational tactic, mechanized units consisting of tanks, armored vehicles, self-propelled guns, multiple-firing rockets, and so forth concentrate fire on a chosen target to swiftly break through the enemy defense line, followed by the second and third waves of assault which will expand the opening and smash the enemy troops, putting them into chaos.

This Soviet operational tactic was developed by using expansive plains as a theater. Accordingly, North Korea reportedly has modified this tactic to suit the topographical condition of the narrow peninsula. In the event of a North Korean incursion into South Korea, the mechanized units, the main offensive force, will mount an attack according to this modified tactic. [passage omitted]

Military Unlikely To Change

In his policy speech to the SPA session in May, Kim Il-song presented a "five-point principle for the reunification of the Korean peninsula," which may be regarded as his reunification policy toward South Korea. It includes in its substance the relaxation of tension on the

Korean peninsula and the creation of a peaceful atmosphere, the removal of the dividing barrier and the adoption of the policy of total opening, the creation of an international climate conducive to reunification, and the promotion of dialogues. He coupled the presentation of this principle with his call for the formation of a common front by all of the people, thereby indicating that his basic reunification strategy toward South Korea remains unchanged.

The economic difficulty nonetheless seems to be making North Korea lean toward a dialogue-prone atmosphere, including the inclination toward the conclusion of a nonaggression agreement. During the 8 November joint workshop of our National Defense and Science Institute and the American International Institute for Strategic Studies, Professor Scalapino of the University of California at Berkeley noted North Korea's economic difficulties. He said that the North Korean economy is in a grave state, attributing the aggravation of North Korea's economic difficulty to the fact that the Soviet Union accounts for more than half of North Korea's trade volume and imposes unfavorable trade terms, such as hard-currency commodity trade, upon North Korea.

Despite these changes in internal conditions, Kim Il-song is stepping up his efforts to hand down power to Kim Chong-il, and attention is focused on how the military will move after Kim Chong-il comes into power. Some are of the opinion that in view of his weak power base in the military, when Kim Chong-il comes into power, there will be a considerable backlash on the part of the military.

However, the majority of experts speculate that insufficient as Kim Chong-il may be in his qualification as the leader, there will be no resistance in the military. This is because, although the first generation of the revolution will sooner or later leave the center stage, the second generation of the revolution, that is, Kim Chong-il's royal guard armed with the dyed-in-the-wool party spirit and loyalty, holds every strategic point in the military. Barring a sudden variable, therefore, most probably there will be no change in the North Korean military for the time being.

Burma

Karens Vow To Attack Rangoon-Backed Fisheries

BK0801013791 Bangkok THE NATION in English 8 Jan 91 pp A1, A2

[By Aphisak Thanasetthakon, Charoenlak Phetpradap, and Yindi Loetcharoenchok]

[Text] Burma's Karen resistance fighters have given an ultimatum to fishing boats and companies concessioned by Rangoon, threatening them with "all forms of opposition and attack" if they do not abandon their agreements with the Burmese regime.

The move is considered to be aimed directly at Thai trawlers, which form the majority of fishing concerns concessioned over the past two years with the ruling State Law and Order Restoration Council (SLORC) in Burma.

The Karen threat came last month in a form of two-page statement addressed to the Ranong Fisheries Association, which passed it on to the Agriculture Ministry's Fisheries Department. Upon receiving the Thai-language statement yesterday, the department then dispatched copies to the Foreign Ministry, the Interior Ministry and the National Security Council.

In the statement, dated Dec 10, the Karen National Union (KNU) demanded that all foreign concessionaires nullify their fishery pacts with SLORC, request fishing rights and register their trawlers with the KNU by the end of this month if they did not want to face attack.

All the trawlers were also to pay marine taxes to the KNU's Mergui/Tavoy Division within the agreed timeframe. Trawlers found without Karen permission "will be destroyed or face punishment according to KNU laws," said the leaflet, issued by the KNU's Mergui/Tavoy Division.

Asked to verify the report, KNU spokesman Dr Em Martha told THE NATION that he had not seen the statement but that he had earlier heard of the plan from representatives of the Mergui/Tavoy Division, which is under the administration of Governor Charles Tada. The area is designated militarily as the 4th brigade of the Karen National Liberation Army under the command of Col Oliver.

"We have requested to all these foreign fishing boats that since they are doing business with the SLORC and indirectly supporting the regime, they should also consider our situation and in one way or another provide financial support to the KNU," said Martha, who said he could not confirm if the Karen plan has already been put into practice.

An informed source said it was still unclear who or which group was responsible for the statement and that concerned government agencies were investigating who might be behind it.

The KNU threats have caused great fear and concern among Thai fishermen in Ranong province, a southern coastal town next to Burma's Tenasserim Division.

Lian Mahaphanthip, President of the Ranong Fisheries Association told THE NATION that Ranong fishermen, who own some 300 trawlers, "are all alarmed by the Karen orders, because each trawler and its equipment costs millions of baht."

He said he had informed Fisheries Department Director-General Plotprasop Suratsawadi of the Karen threat but has not yet received any response from him.

The Karens, who have a small fleet of their own, have threatened Thai trawlers and demanded protection fees in the past but not in very large amounts, according to Lian.

He said he believed that the new order came because of the formation of a rival Burmese government. "The orders have called for the cancellation of Thai fishing concessions with the Burmese Government, and instead make new pacts with (the Karen)," he said.

Despite the Karen threats, Lian said Ranong trawlers are afraid that it would affect the whole fishing industry if they stopped business. "The only way out is to fish outside Karen territory," he added.

The fishery president said protection from Thai authorities would be impossible because the fishing is conducted in Burmese waters. "We only want the Burmese government, which allows us fishing rights in its territory, to provide officers to protect us," he said.

In its seven-point-demand statement, the KNU said foreign trawlers fighting in Burma "should sympathize (with) the Burmese people who are brutally suppressed by the military dictatorship, and ... support the Karen people in their struggle to end political unrest in the country."

"All foreign trawlers which have not contacted the KNU but are receiving benefits from agreements with the Burmese dictatorial government, will face all forms of opposition and attack," it said.

A mobile telephone number was listed in the statement through which trawler operators could contact KNU authorities for registration.

About 165 Thai trawlers are currently fishing in Burma under an agreement reached last April setting up the Thai-Myanmar [Burma] Fisheries 1990 Co to facilitate the business. But many boats have been fishing illegally in Burmese waters and have been seized by Burmese authorities.

Senior Burmese Army Officer Defects to Karens

BK0701125091 London BBC World Service in English 1200 GMT 7 Jan 91

[Text] A former senior officer in the Burmese Army has joined the Karen rebel movement, which has been fighting the Rangoon government for more than 40 years. Lieutenant Colonel Aye Myint, who is 55, is one of the most senior military man to defect to the Karens in recent years. Neil Kelly (?has sent us this) report from the Karen headquarters at Manerplaw:

[Begin Kelly recording] Lt. Col. Aye Myint, whose family is well known in military circles, retired from regular Army service in 1983 but maintained contact with certain officers and reservists. On his Karen National Army uniform he wears the Civil War Star and other decorations which he won fighting the Karens along this border. Now he is back in the frontline, but this time faces former comrades. Asked why he had turned his back on his own leaders, he replied: I hate them, I know their behavior and their manners better than other people. I saw men I had served with shooting unarmed civilians, even monks. That is why I felt so unhappy. If I had been a soldier then, I would not have done that.

He was so ashamed he felt he had to break all connections with the military. (?With the agreement) of his wife, a Burma Army medical officer, and their two daughters, who were active in the student demonstrations in 1988, he came here to the Karen headquarters. He has not heard from his family for more than a year. [end recording]

Iraqi Ambassador Meets SLORC Vice Chairman

BK0701135091 Rangoon Domestic Service in Burmese 1330 GMT 7 Jan 90

[Text] General Than Shwe, vice chairman of the State Law and Order Restoration Council [SLORC], received Mr. Mundhir Ahmad, ambassador of the Republic of Iraq, at the Dagon Yeiktha Hall of the Ministry of Defense at 0900 today.

Present with Gen. Than Shwe at the meeting were Major General Tin U, secretary-2 of the SLORC; U Ohn Gyaw, director general of the Foreign Ministry's Political Department; and Thura U Aung Htet, director general of the Foreign Ministry's Protocol Department.

Coalition Secretary Criticizes Portrayal of Group

BK0501024591 Bangkok BANGKOK POST in English 5 Jan 91 p 4

[Letter by Naing Moe, secretary to the foreign minister, National Coalition Government of the Union of Burma; date of letter not given]

[Text] Sir: I feel I must protest against the BANGKOK POST's portrayal of the National Coalition Government of the Union of Burma as "a rebel Burmese government" (BANGKOK POST, January 3, 1991). By dubbing it as such, you ignore certain crucial facts.

Firstly, all members of this government were elected as legitimate representatives of the Burmese people during the May 1990 elections.

Second, this government was formed with the active endorsement of other members-elect of the People's Assembly, which has been prevented by the State Law and Order Restoration Council (SLORC) from taking office.

Third, it has won the support of, and stands united as one with all the national groups in Burma, and thus ensuring a future Burma that is peaceful and without civil war.

Finally, it must be realised that the "rebel government" that you so termed is not the National Coalition Government of the Union of Burma (that is in the process of restoring democracy and human rights for its people), but the SLORC, which has robbed the Burmese people of their true government.

No one can deny the fact that this coalition government has the overwhelming support of the Burmese people, both at home and abroad, a phenomenon that will become even more evident with time. [Signed] Naing Moe Secretary to the Foreign Minister National Coaliton Government of the Union of Burma

Brunei, Malaysia & Singapore

Malaysia

Government Advises Malaysians To Leave Gulf

BK0701133391 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 7 Jan 91

[Text] Speaking at a news conference at the Foreign Ministry, Foreign Minister Datuk Abu Hassan said Malaysia welcomes the forthcoming meeting between the U.S. Secretary of State James Baker and the Iraqi Foreign Minister Tariq 'Aziz on Wednesday and hopes it will lead to a peaceful resolution of the Gulf crisis.

However, Malaysia has made preparations to evacuate its nationals before the 15 January deadline for Iraq to withdraw from Kuwait.

[Begin Abu Hassan recording] I would like to explain the preparations for all Malaysian nationals, workers, and students to leave the Gulf area. Steps being taken by the government are as follows:

All Malaysian representatives have been instructed to advise all Malaysian nationals in the Gulf area, which includes Saudi Arabia, the United Arab Emirates, Bahrain, Qatar, Jordan, and Syria, to leave the area. But the decision to leave the area is up to them. [end recording]

Instructions have also been issued to evacuate Malaysian officials and their families from the Malaysian Embassy in Baghdad. The number of Malaysians in the Gulf states totals 1,700, of whom 1,000 are in Saudi Arabia.

The Foreign Ministry also set up a 24-hour operations room on 3 January to follow developments in the Gulf crisis. The operations room has five telephone lines. Datuk Abu Hassan also said that those Malaysians invited to attend the international Islamic seminar on 9 January have nothing to do with the government. Their presence will be in a private capacity.

Petronas To Supply Oil To Six Asian Countries

BK0801085891 Kuala Lumpur International Service in English 0800 GMT 8 Jan 91

[Text] The national oil corporation, Petronas, has agreed to supply crude oil to six Asian countries—Bangladesh, India, Pakistan, the Philippines, Sri Lanka and Thailand—since the Gulf crisis broke out on August the second last year.

A Petronas official said commitments to these countries up to the end of last year including supplies over the past and existing current contracts amounted to 6.1 million barrels. In addition, negotiations were still underway to supply the crude oil and petroleum products to South Korea and the Seychelles.

The national oil corporation agreed to make the shipments of 450,000 barrels of toughest blend crude, [word indistinct] for November and December to Bangladesh, which however has yet to be shipped. A spokesman of the Bangladesh High Commission told BERNAMA that Bangladesh was not able to make the shipments because of the difficult situation of the country. He said a new date will be set for the shipments, probably in January with the consent of Petronas. According to him, Bangladesh would probably take both shipments meant for November and December at one go.

Sabah, Federal Relations Seen at 'Lowest Ebb'

BK0801071691 Hong Kong AFP in English 0640 GMT 8 Jan 91

[By A. Letchumanan]

[Text] Kota Kinabalu, Malaysia, Jan 8 (AFP)—Relations between the Sabah state government and the federal government are at their lowest ebb following the arrest of the chief minister here, but it is up to Kuala Lumpur to ease strains, officials of Sabah's ruling party said Tuesday.

Observers said that the Christian-led administration in the east Malaysian state was being very carerful not to give Prime Minister Mahathir Mohamad's government a reason to declare federal rule in Sabah.

"We have done our job as a responsible state government but it is the federal government which should play its part instead of harassing us," said Wilfred Bumburing, the youth chief in the ruling Parti Bersatu Sabah (PBS).

Chief Minister Joseph Pairin Kitingan, who is also the PBS president, was stopped at a police roadblock on his way to work Saturday and arrested on three counts of corruption.

His arrest followed the detention two days earlier of his press consultant, Maximus Ongkili, under the Internal Security Act (ISA) which provides for indefinite detention without trial.

The PBS had been bracing for a reaction from Kuala Lumpur ever since it defected to Dr. Mahathir's political opposition on the eve of the general elections won overwhelmingly by the prime minister's National Front.

"Saturday's event was the last straw," said Mr. Bumburing.

One observer said Sabahans were angered by the arrests but "they have been told to be calm and never do anything drastic which will give the federal government a passport to intervene."

Bernard Dompok, the deputy chief minister, said Tuesday that relations between the PBS and the National Front coalition had never been cordial since the day PBS came to power here in 1985.

"We were really being tolerated in the coalition and (Kuala Lumpur was) waiting for us to pull out," he said.

The PBS was returned to power for the third time in July last year after promising voters to renegotiate the terms under which Sabah, formerly British North Borneo, became part of the Malaysian Federation in 1963.

The party withdrew from the 10-party federal coalition before the October elections, accusing Dr. Mahathir of ignoring its requests for improvement of state rights.

The PBS has, among other things, demanded a greater slice of revenue from Sabah's oil output, more appointments to the federal cabinet and civil service, and expulsion of tens of thousands of illegal Filipino and Indonesian immigrants.

Mr. Dompok, who is also the PBS deputy president, told reporters the Constitution provided for federal government funding of the state government, irrespective of whether it is affiliated with the ruling National Party.

"The allocation should be the same but we do not know whether the federal government would penalise us by reducing the amount," he said, adding that the state could tailor its needs according to the available resources.

Mr. Dompok called the arrest of Mr. Kitingan and Mr. Ongkili harassment orchestrated by Kuala Lumpur and said the PBS administration would continue to fulfill its obligations as an elected government.

"If the federal government continues to sabotage the Sabah government, it will not be good for the nation," he said, accusing Kuala Lumpur of trying to drive a wedge between the administration here and the people.

"They want to create a situation where it will be conducive for Dr. Mahathir's United Malays National Organisation (UMNO) to come into Sabah," Mr. Dompok said.

Dr. Mahathir said a day after the PBS defected that his UMNO, which dominates the National Front, would form branches in Sabah.

Mr. Dompok said that the main aim of the federal government was to make the PBS submit to its whims.

"We are in full control of the situation in the state and will never allow the federal [passage indistinct] the arrests were harassment by the federal government, then they must be "sick in their mind".

Life in the capital was normal but PBS officials said that roadblocks were set up at all roads leading to Kota Kinabalu. They said that they have heard rumours of more arrests about to be made, but there has been no confirmation.

Foreign Minister Views Aid to African States

BK0801074591 Kuala Lumpur BERNAMA in English 0700 GMT 8 Jan 91

[Text] Kuala Lumpur, Jan 8 (OANA-BERNAMA)—Malaysia has donated M [Malaysian] $1 million (about U.S. $370,000) worth of relief assistance to the Frontline States and liberation movements of southern Africa.

Foreign Minister Abu Hassan Omar handed over the aid in the form of food, clothing and medicine to the ministry's economic division Assistant Secretary Azmi Zainuddin, who will be accompanying the goods to Zimbabwe Wednesday.

Abu Hassan said the Malaysian high commissioner to Zimbabwe, Anthony K.S. Yeo would then formally hand over the assistance to Namibia, Zimbabwe, Mozambique, Tanzania, the African National Congress (ANC) and the Pan Africanist Congress (PAC).

"The relief assistance is a reflection of Malaysia's consistent support for the cause of Frontline States and liberation movements in southern Africa," he added.

According to Abu Hassan, the aid was part of Malaysia's M$5.5 million (U.S $2 million) contribution to the Action for Resisting Invasion, Colonialism and Apartheid (AFRICA) fund.

The fund was set up during the 8th non-aligned summit conference in Zimbabwe in September 1986, he said, adding that Malaysia would be hosting the 8th senior officials meeting of the Africa Fund in May.

Abu Hassan later received Cameroon Minister of Mines, Water and Power Francis I.W. Nkwain who is acting as special envoy of Cameroon president.

Nkwain, who arrived on Sunday for a four-day visit, is seeking Malaysia's support for Cameroon's application to become a member of the Commonwealth.

Abu Hassan said the Commonwealth high level appraisal group to study the future of the Commonwealth would decide whether to admit Cameroon into the Commonwealth.

Singapore

Air Force Helicopter Crashes; Crew Killed

BK0601120091 Singapore Domestic Service in English 1100 GMT 6 Jan 91

[Text] A helicopter belonging to the Republic of Singapore Air Force crashed in Sembawang Air Base this morning killing four crew members. The accident involving a Super Puma helicopter occurred during a routine flight about 11 A.M.

The Ministry of Defense [Mindef] statement said that three crew members died in the crash. The fourth man was evacuated to the Singapore General Hospital in serious condition. He died in hospital at about 12:45 this afternoon.

Mindef has identified the dead as pilot 27-year old Captain Tay Boon Tee and 26-year-old Lieutenant Mark (Wong Lee Tat). The other two were technicians Staff Sergeant Henry (Ang Leng Kim), 34, and Sergeant Gerald Pereira, 29.

All four of them were from the 125 Squadron in Sembawang Air Base. Their next-of-kins have been informed. Mindef will convene an inquiry into the incident. The police are also investigating.

Cambodia

Hun Sen Sees Political Solution as 'Remote'

BK0801065191 Phnom Penh SPK in French 0438 GMT 8 Jan 91

[Text] Phnom Penh 8 Jan (SPK)—"Although hopes for a political solution to the Cambodian problem were founded, this solution remains remote and we can see it at the end of the tunnel," said Hun Sen, chairman of the Council of Ministers of the State of Cambodia.

Addressing a mass meeting held in Prey Veng Province Monday, 7 January, in honor of the 12th National Day, Hun Sen, also a member of the Political Bureau of the Kampuchean People's Revolutionary Party Central Committee and member of Cambodia's Supreme National Council (SNC), stressed that the Cambodian opposition factions had no wish for a political solution

yet since they still hoped that they could topple the State of Cambodia through military means.

On the outcome of the meeting between the 12 SNC members and the cochairmen of the Paris international conference held in the French capital on 21 and 22 December to discuss the rough draft of an overall agreement on peace in Cambodia, Hun Sen recalled that the participants had accepted most of the major points, but there were some problems that should be discussed within the coordinating committee of the Paris conference and the SNC. He said that these problems were, among others, concrete measures to prevent the repetition of the genocidal Pol Pot regime and the military demobilization.

"We will not sign any agreement that does not stipulate concrete measures aimed at preventing the repetition of the genocidal regime," declared Hun Sen while specifying that in order to ward off once and for all the repetition of that regime, it was necessary to "completely dismantle all bases capable of giving birth to the regime of genocide, that is, all its political, military, and socio-economic organizations."

We must also try the Polpotist ringleaders before a tribunal, he affirmed before adding:

"We warmly welcome the role of the United Nations in the settlement of the Cambodian conflict for, according to the detailed informations provided by UN Deputy Secretary General Ahmad Rafiuddin, who had also attended the Paris dialogue, the United Nations "does not govern Cambodia."

"We do not allow the United Nations to interfere in our internal affairs, but we accept its role in Cambodia," noted the head of the Cambodian Government.

On the military demobilization, Chairman Hun Sen reaffirmed the State of Cambodia's position of refraining from dissolving the armies before the elections, and stressed his acceptance of a cease-fire in place, the regrouping of military personnel—of no less than 100 soldiers in each cantonment, though—and then the dumping of arms in the positions with a prohibition on their removal, and all this in order to create favorable conditions for the holding of elections.

Hun Sen moreover made an appeal to the United Nations to respect the principle of equity concerning the Cambodian settlement. He said that this international organization has already sent its missions into the interior of the country to learn about the infrastructures of the Phnom Penh government and the situation in the country, but no mission of the same type has so far been sent to the camps of Sihanouk, Son Sann, and the Polpotist Khmer Rouge. These UN missions worked out many reports on the Phnom Penh government, but there is not a single page about the situation on the other side, he pointed out.

Sihanouk Disavows Links With 'Any One Party'

AU0401211391 Paris AFP in English 2039 GMT 4 Jan 91

[Text] Paris, Jan 4 (AFP)—Former Cambodian ruler Prince Norodom Sihanouk said in a telegram received here Friday from Beijing that he no longer belonged to any one party, including the armed faction loyal to him in the Cambodian resistance.

The prince stressed that he was "the president of the opposition Cambodian National Government and of the (whole) tripartite national Cambodian resistance," which includes the Marxist Khmer Rouge, the Sihanoukist forces and right-wing nationalists.

He said he has for more than a year stopped presiding over the Sihanoukist faction and "no longer belonged to any party." The Sihanoukist faction was run by his son Prince Nordom Ranariddh and Nhiek Tioulong, he said in the telegram.

The prince refused last month to be a candidate for the presidency of the Cambodian Supreme National Council, the body designed to emobdy Cambodian sovereignty during the transition to elections. This was viewed as an attempt to place himself above the various warring factions.

Sihanouk Blames Phnom Penh for Blocking Peace

HK0801102891 Hong Kong AFP in English 1016 GMT 8 Jan 91

[Text] Beijing, Jan 8 (AFP)—Prince Norodom Sihanouk Tuesday accused Phnom Penh Premier Hun Sen of trying to stop peace from returning to Cambodia by refusing to accept a U.N.-drafted peace plan.

In a statement issued here, where he resides, the Cambodian resistance leader and former monarch said there were three reasons for the Hanoi-backed premier's attitude.

First, he alleged that Phnom Penh wants to retain the boundaries of Cambodia, as "modified by Hanoi and the Hun Sen government," for the benefit of Vietnam.

Second, he cited Vietnamese living in Cambodia, whom he said included 1.5 million "colonists," 100,000 village militiamen, "more than 10,000 advisers and military and civilian technicians" and 40,000 "Vietnamese combatants" allegedly fighting resistance guerrillas.

Vietnam has said it pulled all its military forces out of Cambodia in September 1989, more than 10 years after it invaded the country, ousted the Khmer Rouge regime and installed a client government.

Third, Prince Sihanouk said that Vietnam was "not ready to renounce the process of Vietnamization and colonization of Cambodia" as it seeks to create an "Indochinese federation."

"Thus (Phnom Penh) must discredit Sihanouk and the Cambodian National Resistance and delay to the maximum its integration into the peace process" so as to block "Cambodia's return to its 1969 boundaries and total independence," the prince said, referring to his last year in power before he was ousted in a 1970 coup led by Marshal Lon Nol.

Prince Sihanouk said that in his view, "peaceful, political coexistence between the Cambodian National Resistance and the Hun Sen group" was possible under three conditions:

—"Rejection of Vietnamese or other colonialism,"

—"Sacred union to recover and safeguard 100 per cent national independence and the (1969) territorial integrity of Cambodia,"

—"Respect for human rights and the exclusive sovereignty of all Cambodian people."

The Paris International Conference on Cambodia, which took place under the auspices of the United Nations, reached agreement in principle on a peace plan on December 22.

But it must reconvene due to disagreement between Phnom Penh and the three allied Cambodian resistance factions over the plan, which calls for the organization of U.N.-supervised general elections.

Mr. Hun Sen and the Phnom Penh head of state, Heng Samrin, are particularly opposed to the dismantlement of their government, which is called for under the peace plan.

Council of Ministers' 3 Jan Session Detailed

BK0501061591 Phnom Penh SPK in French 0418 GMT 5 Jan 91

[Text] Phnom Penh 5 January (SPK)—Chairman Hun Sen assessed before the Council of Ministers that the Cambodian People's Armed Forces [CPAF] had shown that they are able to assume themselves the task of defending the nation, thereby preventing the the genocidal Pol Pot regime from returning to power.

During the 3 January session of the Council of Ministers, Hun Sen, also a member of the Kampuchean People's Revolutionary Party Central Committee Political Bureau, said:

"After the complete withdrawal of Vietnamese volunteers, the enemies launched large-scale attacks with the aim of seizing in a short period of time some remote areas in the country. But their adventurous attempts were foiled one after another due to continuous defeats jointly inflicted on them by our CPAF and local people in their counterattacks. The victories have shown the constant development of our CPAF, as well as their position of strength on the battlefield."

On the process of seeking a political solution to the Cambodian problem, the chairman of the Cambodian Council of Ministers pointed out:

"Despite pressure from some countries in the West and opportunists, the fundamental principle of the Cambodian party, government, and people has to be taken into account: the maintenance of the status quo prior to elections, the prevention of the recurrence of the genocidal regime, and the scrupulous respect of Cambodia's national sovereignty and the people's right to self- determination. The Cambodian people cannot dissolve the civilian authority structures and the Armed Forces before the election of a new government because no one can trust the Polpotists during the transitional period. It is the Cambodian people who should choose their destiny themselves."

During the three days of meeting, the council listened to the report on the issues brought up in 1990, in particular the social, financial, and budgetary situation, and discussed objectives and planning for 1991.

The participants were also briefed about the report on the situation of the implementation of the 1986-1990 socioeconomic restoration and development program and the tasks to be implemented in 1991-1995.

Commentary Denies Vietnam Violating Sovereignty

BK0701062991 Phnom Penh Domestic Service in Cambodian 1300 GMT 6 Jan 91

[Station commentary: "Who Protects and Preserves National Independence and Sovereignty?"]

[Text] Following the conclusion of the consultative meeting held in Paris between the cochairmen of the Paris International Conference on Cambodia and the Cambodian Supreme National Council [SNC], some of the six SNC members from the tripartite group boasted that they were the ones who protected national independence and sovereignty and accused the State of Cambodia and Vietnam of trampling upon national independence and sovereignty.

Everyone still remembers well that the government of the State of Cambodia has repeatedly declared its resolute opposition to all attempts aimed at violating the independence, sovereignty, and right to self-determination of the Cambodian people. Therefore, we would like to raise this question: Who really protects and preserves national independence and sovereignty?

To answer this question we should look back a little bit.

In 1884, the Khmer monarch sold out national independence and sovereignty to France, which had plundered our nation for nearly a century.

From 1954 to 1970, the nation's independence and sovereignty were in the hands of the royal family and relatives who regarded the people as dirt under their feet.

In 1970, through the motivation of the imperialists, a coup d'etat took place and, since then, national independence and sovereignty once again fell into the hands of the neo-imperialists. At that time, the people were compelled to rise up, fought, and seized back national independence and sovereignty on 17 April 1975.

But it was then most regrettable that the Pol Pot clique and its henchmen usurped, trampled, and plunged national independence and sovereignty into the abyss of genocide, an unprecedented event in the history of mankind.

On the verge of national extinction and in order to restore national independence and sovereignty, the party and front, appealing for our people to rise up once again and requesting the Vietnamese volunteer troops for assistance, liberated our country totally on 7 January 1979, thus preserving the Cambodian nation's independence and sovereignty.

But the enemies to the Cambodian people have shamelessly accused the presence of the Vietnamese troops in Cambodia of violating Cambodia's independence and sovereignty.

In fact, it is known to all that from the time they arrived in Cambodia to the time they totally returned home in September 1989, the Vietnamese volunteer troops had helped to firmly defend and maintain our independence and sovereignty. Without the assistance of the Vietnamese troops, even the lives of the Cambodian people would not have been saved, let alone protecting national independence and sovereignty. At present, the Vietnamese troops are all withdrawn.

Many countries in the world still have foreign bases on their territories, such as the Philippines, Singapore, Germany, South Korea, and Japan. Do these countries lose their independence and sovereignty? Are their governments set up from the elections in the presence of foreign troops on their soil legitimate and legal? Has Vietnam ever encroached upon any country's sovereignty and independence?

Moreover, during the last 12 years, the Government of the State of Cambodia has taken all-round measures for strengthening national independence and sovereignty, expanded democratic legitimacy, and given all kinds of freedoms and rights to the people of all nationalities.

For this reason, the pretexts that they have resorted to in order to accuse us of trampling upon national independence and sovereignty are unjust and irrational acts. As a matter of fact, those who are hurling accusations against the Government of the State of Cambodia were the ones who sold out national independence and sovereignty to France, Japan, and the United States for personal gains. Particularly, the genocidal Pol Pot clique which is notorious in committing acts of massacre and violations of human rights [words indistinct].

Some of them are professors of law, but have pretended to be ignorant, not understanding the UN Charter, and arbitrarily claimed that putting an independent and sovereign country under the UN authority does not violate the UN Charter.

If they could not remember Articles 1 and 2 of the UN Charter, at least they should take a look at the events in the past 45 years since the birth of the United Nations. How many countries have been put under the UN authority? Maybe, they want to make the United Nations create a bad example for the international community. If so, they will not be successful because the UN member countries will certainly reject this attempt.

The Government of the State of Cambodia does not reject the peace plan as some people accused. We only want them to strictly respect the sovereignty and independence of a country which is a UN member.

If they do not want to help protect the national independence and sovereignty, they should not collude with the others in violating them.

Figures on Homeless, Refugees in 1990 Reported

BK0301115291 Hong Kong AFP in English 0755 GMT 3 Jan 90

[Text] Bangkok, Jan 3 (AFP)—Up to 30,000 Cambodians fled to refugee camps in Thailand last year while some 150,000 more were left homeless by the civil war in Cambodia, Western relief officials said Thursday.

During the last week of December, 1,250 refugees poured into Site 2, the largest camp on the Thai-Cambodian border, despite increasingly frequent robberies and attacks by deserters from guerrilla forces, the officials said.

The population of the sprawling United Nations-aided camp, some 240 kilometers (385 miles) northeast of here, swelled to 181,149 from 148,829 at the beginning of the year, they said.

Some 60,000-100,000 people living under the control of the Khmer Rouge, the militarily dominant faction of the Cambodian resistance coalition, were moved from so-called "secret" camps in Thailand into areas held by Khmer Rouge guerrilla forces in Cambodia in early 1990, they said.

The Marxist Khmer Rouge, whose rule in Phnom Penh ended when Vietnam installed a client government in 1979, does not allow relief workers access to the secret camps, where they are said to maintain strict discipline and isolation.

But the people were moved back later in the year, and hundreds have arrived at the UN-aided camp of O'trao in Thailand's northeastern Sisakhet Province complaining of increased malaria and food shortages, the officials said.

The population of all six UN-aided Cambodian refugee camps reached around 311,000 by the year's end with refugees pouring in at a rate of around 500 a week, they said.

New arrivals were estimated at 20,000-30,000 throughout the year, taking into account what the officials referred to as "commuters," or refugees who returned to Cambodia to sell their food ration cards on the black market before returning to the camp to apply for new ration cards under assumed names, they said.

One relief official quoted a civilian administrator at Site 2, which is administered by the non-communist Khmer People's National Liberation Front (KPNLF) resistance faction, as saying that new arrivals could increase sharply if the next round of peace talks in Paris failed.

More than 150,000 people have been driven away from their villages in Cambodia and forced to seek shelter elsewhere in the country, and some were among those who fled to Thailand last year, the relief officials said.

National Councils Set Up in Kompong Trach

BK0501090791 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jan 9

["Report from Kompong Trach District: Our people and village guards have attacked and dismantled the administrative networks of the Vietnamese enemy aggressors and traitorous Vietnamese puppets Hun Sen, Heng Samrin, and Chea Sim in villages and communes and have replaced them with village and communal national councils"]

[Text] Our people and village guards on 22-23 December 1990 have successfully attacked and dismantled the administrative networks of the Vietnamese enemy aggressors and their lackey puppets Hun Sen, Heng Samrin, and Chea Sim in the following three communes: Sleng, Damnak Kantuot, and Angkor Chey. They have also liberated the following nine villages: O Roluos, Ta Pim, Prek Kreus, Sleng, and Phnum Damrei in O Sleng and Angkor Chei Communes, and Angkor Chei Ti Muoy, Angkor Chei Ti Pi, Damnak Kantuot, and Trapeang Prei in Damnak Kantuot Commune, Kompong Trach District, Kampot Province.

After routing and dismantling the administrative networks, our people and compatriot village guards declared the establishment of national councils in the communes and nine villages. While our people have been distributing paddies and rice that had been plundered by the Vietnamese enemy aggressors, a group of 25 officials, forced by the Vietnamese enemy aggressors and traitorous puppet Leaders Hun Sen, Heng Samrin, and Chea Sim to serve their war of aggression, have surrendered to our people's great national union forces and village national councils. They handed over six guns given by the Vietnamese enemy aggressors and the traitorous puppets to our people's great national union forces. The 25 officials told our people that "we would definitely stop serving as officials of the Vietnamese enemies and traitorous puppet leaders. We had been forced to serve them, particularly the Vietnamese who had been secretely incorporated into the various villages and communes and who exercised strict control over us. They ordered us to plunder paddies and rice, and levy oppressive taxes and ask our people to make contributions to them. They are cruel and have countless schemes.

In conclusion, the 25 surrendered officials said "we have wrongfully served the Vietnamese enemy aggressors. We would like to thank the great national union forces and the councils for allowing us to live as ordinary citizens with democratic rights and freedom of movement, so that we can earn our living like others. We are determined to join the great national union forces at our villages and communes to continue struggling for the dismantling of the administrative networks of the Vietnamese enemy aggressors and their puppets in other villages and communes, and to successively set up national councils in those localities and the nine above-mentioned villages until our nation is completely liberated."

Angkor Chey Residents Defy Orders To Vote

BK0601050691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Jan 91

[Excerpt] According to a report from Kampot Province, since the middle of last October thus far, the Vietnamese enemy aggressors and the traitorous puppet leaders—Hun Sen, Heng Samrin, and Chea Sim—who are the cheapest Vietnamese lackeys, have actively been forcing our people to go to polls so they can sound out popular support for the traitorous Vietnamese lackey puppet regime.

On 24 December, they forced our people in Angkor Chey District of Kampot Province to go and cast their votes at the district's office. However, the entire population of Angkor Chey District defied the order and went into hiding.

Our people were of the opinion that there was no need for voting because all the candidates in the election were the aggressors and traitorous Vietnamese lackeys and puppets Hun Sen, Heng Samrin, and Chea Sim. And after the election, the Vietnamese enemy aggressors and their lackey puppets would all the same continue to invade and occupy Cambodia and oppress, massacre, and exterminate the Cambodian race. [passage omitted]

700 SRV Troops Reportedly Hidden in Ratanakiri

BK0801040291 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 7 Jan 91

[Text] According to a report in early January 1991 from the special commandos of our national resistance forces on Ratanakiri Province, the Hanoi Vietnamese enemy aggressors recently sent 700 Vietnamese troops from

Vietnam in helicopters to hide in Veal Thom west of O Damboak and O La Lai in Veun Sai District of Ratanakiri Province. The helicopters flew back and forth for three consecutive days bringing these troops in.

VONADK Reports 150 SRV Troops Deployed

BK0801040491 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 7 Jan 91

[Text] According to our national resistance forces on Ratanakiri battlefield, on 29 December, the Hanoi Vietnamese enemy aggressors sent 50 fresh Vietnamese troops from Vietnam through Route 19 to be deployed in forests north of Banlung township and 100 others to Stung Treng provincial seat.

Radio Urges People To Intensify Resistance

BK0501053191 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jan 91

[Station editorial: "The Cambodian People Are Upholding Great National Union Banner To Intensify Attack Against the Vietnamese Enemy Aggressors and Traitorous Puppets, Forcing Them To Respect and Implement the Document of the Five Permanent Members of the UN Security Council"]

[Text] I. The Cambodian people inside and outside the country have joined forces with the Cambodian National Resistance [CNR] and Cambodian patriots to fight the Vietnamese enemy aggressors and their lackey puppets for 12 years thus far. The fruit from the assiduous and persistent struggle assisted and supported by the world has inflicted continuous setbacks on the Vietnamese enemy aggressors and their lackey puppets, causing them to breathe their last gasps and to have their backs completely against the wall on both fields of aggression against Cambodia and diplomacy.

The 28 August 1990 framework document of the five permanent members of the UN Security Council [UNSC], the Jakarta document on the establishment of the Supreme National Council [SNC] headed by Samdech Norodom Sihanouk, and the 26 November 1990 draft agreement worked out by the UNSC permanent members and the Paris conference cochairmen are the achievement of the joint efforts displayed by the Cambodian people, the CNR, and the supporting forces worldwide.

These documents demand that:

1. The United Nations and a UN peacekeeping force verify the withdrawal of all categories of Vietnamese aggressor troops from Cambodia.

2. The United Nations and the UN peacekeeping force disarm and demobilize the puppet Army, including its regular, provincial, district, communal, militia, and police forces that the Vietnamese enemies built up for the purpose of serving their war of aggression.

3. A UN Transitional Authority administer state affairs and organize elections in conjunction with the SNC.

The working meeting between the Paris conference cochairmen and the four Cambodian parties in Paris on 21-22 December reached a draft settlement to put an early end to the Vietnamese war of aggression in Cambodia. And this was achieved on the basis of all the above-mentioned documents.

Apparently, a meeting of the coordinating committee will be reconvened to examine and complete the draft agreement, which will be presented for the signatures of the 19 foreign ministers, including the Vietnamese aggressors themselves, then implemented in Cambodia.

II. The Hanoi Vietnamese enemy aggressors and their traitorous lackey puppets—Heng Samrin, Hun Sen, and Chea Sim—have ants in their pants because they have clearly realized that they have neither been able to destroy the documents nor hold up the settlement. That being the case, at present:

1. They are intensively voicing their objection to a comprehensive role of the United Nations and the UN peacekeeping force.

2. They are intimidating the Cambodian people, soldiers, and puppet officials because they are afraid that their own internal elements will revolt against and desert them to join forces with the Cambodian people, CNR, and the world to coerce them into implementing the document of the UNSC permanent members to end the Vietnamese war of invasion in Cambodia, thereby restoring independence and peace to Cambodia.

3. It is obvious that the Vietnamese enemy aggressors and traitorous puppets Heng Samrin and Hun Sen can never be able to confront the prevailing trend. The Cambodian people need independence and peace and to liberate the country from the grasp of the Vietnamese expansionist enemy aggressors. The Cambodian people, who have been struggling for 12 years and who now have the worldwide-endorsed blueprint of the five UNSC permanent members in their hands, vow to firmly stand by the document. They clearly see the light at the end of the tunnel and the imminent liberation of the nation and motherland from the control of the Vietnamese aggressors and the traitors and are resolved to continue joining the CNR and all the patriots in upholding the great national union banner to attack the Vietnamese enemy invaders and traitorous Vietnamese lackeys more actively and vigorously so as to, in combination with the world's force, compel the Vietnamese enemy aggressors and their lackey puppets to at all costs respect and implement the documents and agreements as quickly as possible.

Indonesia

Government To 'Suspend' Pilgrimage If War Erupts

BK0801040691 Jakarta Domestic Service in Indonesian 0000 GMT 8 Jan 91

[Text] Elements of the Armed Forces of the Republic of Indonesia [ABRI] will be involved in Indonesia's hajj pilgrimage program this year to provide a sense of security to pilgrims. Religious Affairs Minister Munawir Syadzali said this after a meeting of relevant departments and agencies in Jakarta yesterday. It was decided during the interdepartmental meeting that a team would be sent to Saudi Arabia early February to study all aspects of security measures for hajj pilgrims. However, the minister was unable to say how many ABRI personnel would take part in the security program for Indonesian pilgrims this year. According to Minister Munawir Syadzali, Indonesia will suspend the hajj pilgrimage to the Holy Land for safety reasons should war break out in the Gulf.

Defense Cooperation Talks Held With Malaysia

BK0801100891 Jakarta ANTARA in English 0937 GMT 8 Jan 91

[Text] Jakarta, Jan 8 (OANA-ANTARA)—Indonesia and Malaysia will try to standardize their military equipment, although this means a long term cooperation plan, the more so the decision to buy military equipment remains the prerogative of the respective governments.

This was explained by visiting Malaysian Minister of Defence Datuk Najib bin Tun Haji Abdul Razak to the press after paying a courtesy call on President Suharto at the Istana Merdeka (Merdeka Palace) here on Tuesday. He was accompanied by his Indonesian counterpart L.B. Murdani.

During the courtesy call, discussions were focussed on the improvement of cooperation between the armed forces of both countries, among other things in the field of training and joint military exercises as well as on the mutual supply of armament.

We are trying to have identical arms. We are also hoping that the joint exercises would be continued. We are further exploring the possibility of joint patrols in the Melakah Straits, Najib said.

Asked by reporters when standardization would take place, Najib said that the process would be a long-time process, depending on the prerogative right of the respective country, he said.

He went on to state that longstanding cooperation existed between the Malaysian and Indonesian Air Forces. Malysia used to send its T-56 airplane engines for servicing in Indonesia, while the AURI [the Republic of Indonesia Air Force] sent its C-130 planes to Malaysia for inspection.

Asked about the development of his country's arms and ammunition industry, Datuk Najib said that his country planned to set up a rifle factory under Austrian licence. Malaysian private firms are now also capable of manufacturing telecommunication equipment, he added.

Suharto Swears In Officials of Election Bodies

BK0801064491 Jakarta Domestic Service in Indonesian 0600 GMT 8 Jan 91

[Text] President Suharto says that the coming general election in 1992 will be of special and strategic importance because the 1992 general election will be the last one during the first 25-year long-term development program. Speaking at a swearing-in ceremony of leaders and members of the General Election Advisory Council, the Indonesian Election Committee, and the National General Election Supervision Committee at the State Palace this morning, President Suharto said that the world was rapidly moving toward a democratic government and political system by the end of the 20th century.

On the existence of Pancasila, the head of state said that the Indonesians had reaffirmed Pancasila as an open ideology. [Suharto recording indistinct]

Among those sworn in were the home affairs minister as chairman and member of the Indonesian Election Committee, the justice minister as first vice chairman and member, and the information minister as second vice chairman and member.

Philippines

Stricter Iraqi, Kuwaiti Immigration Ordered

HK0801051391 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 8 Jan 91

[Text] Immigration Commissioner Andrea Domingo ordered all immigration personnel at the Ninoy Aquino International Airport to enforce stricter inspection and interviews on Kuwaiti and Iraqi nationals arriving in the country. There were earlier reports saying that 20,000 Kuwaiti passports were stolen when Iraq occupied Kuwait on 2 August. The Iraqis could use them to enter several countries, including the Philippines, in order to carry out terroristic activities. Reports say Iraqi terrorists will come here to sabotage U.S. bases.

Domingo added that there are reports saying there is a group of Iraqi terrorists recruiting Filipinos, like rebel returnees and former soldiers, in order to fight with the multinational forces in the Gulf.

DWIZ also learned that each Filipino will be paid $10,000.

Airline Operations to Middle East Suspended

HK0801102191 Manila Radio Veritas in Tagalog 0900 GMT 8 Jan 91

[Interview with Jonathan Gesmundo of Philippine Airlines by Anchorman Henry Umaga Diaz regarding changes in its Middle East operations—live in studio]

[Text] [Diaz] We heard that the Philippine Airlines [PAL] has an announcement to make.

[Gesmundo] We want to inform your listeners that PAL is temporarily suspending its service to the Middle East effective tomorrow, 9 January, in relation to the imminent war in the area. At the same time, PAL is also reducing its service to Europe to just two times a week.

[Diaz] Even if war has not yet broken out?

[Gesmundo] The suspension of services to the Middle East is confirmed. Our reduction in flight frequencies to Europe is dependent on the situation in the Middle East. This decision came following other airlines' suspension of services to the Gulf. PAL will announce cancelled flights to Europe 48 hours before the scheduled departure times. On the other hand, PAL retains its other services to the United States, Asia, Australia and other nearby countries in the region. These flights will be maintained depending on fuel availability. In other contingency plans, domestic services may be affected. This is as a result of the government's contingency plan. Their decision is to reduce PAL's fuel allocation by 50 percent if war breaks out in the Gulf.

[Diaz] So, the fuel allocation for PAL domestic flights will be cut by 50 percent if war breaks out?

[Gesmundo] What I meant is that PAL's allocation of domestic fuel will be cut by 50 percent. This is the government's decision.

[Diaz] How many flights will be cancelled? What's the percentage?

[Gesmundo] The cancellation of some domestic flights is now under study. We will continue flights using planes which do not consume too much fuel, like the B-737, Focus-50, and Airbus A-300. Flights to places unreachable by land or sea transportation and sources of food are also under study. We will make more annoucements depending on the conditions in the Middle East.

Aquino Orders Ramos To Maintain Peace, Order

HK0801104791 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 8 Jan 91

[Text] President Aquino announced that she has ordered the Armed Forces of the Philippines [AFP] to be prepared to ensure peace and order in the country in the event war breaks out in the Middle East. Tanny Rodriguez reports:

[Begin Rodriguez recording] In her press statement, the president said that she has ordered Defense Secretary Fidel Ramos to ensure that no disruptive groups can exploit the country's critical situation, inasmuch as no one can oppose the state, the law enforcers, or the Filipino people. The president issued the statement in response to reports stating that the rebel soldiers and the communist rebels have forged an alliance to launch a rebellion in the country to coincide with war breaking out in the Persian Gulf region. [end recording]

Meanwhile, President Aquino assured that she has enough power under the Constitution to use in times of crisis in order to face any workers' uprising. It is suspected that the antigovernment forces will use worker protest actions to launch violence in the country. Tanny Rodriguez reports again:

[Begin recording] The president said these powers are sufficient for her to face strikes and that there is no need to ban protest actions even during a crisis brought about by the Middle East war. Instead of banning strikes, she said she has the power to order compulsary arbitration in labor cases. It will be recalled that the acting AFP chief of staff, Lieutenant Colonel Rodolfo Biazon, said that the military wants a moratorium on labor strikes to prevent these from being exploited by rebel soldiers and communist rebels. One emergency power which Congress has yet to approve is the power for Aquino to suspend labor laws and standards if these interfere in the production and distribution of basic commodities in times of crisis. But this power, according to the president, does not strip the workers of their rights to protest. [end recording]

Pledges To Use Constitutional Powers

HK0801051791 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 8 Jan 91

[Text] President Aquino pledged to use all her constitutional powers in order to address any emergency situation that may emerge in the event of a Gulf war. She said she will use them while Congress has not yet given her the emergency powers.

Meanwhile, the acting Armed Forces chief of staff, Lieutenant General Rodolfo Biazon, allayed fears in connection with the Gulf crisis. During the Manila Hotel coffee shop forum, he said the people need not panic. He assured that there is enough supply of oil and food. In addition, the military has sufficient mobility requirements for security operations in case the enemies of the government take advantage of the situation. Biazon is hopeful that the people will be prepared, particularly the government workers, if the crisis in the Persian Gulf blows up.

Defense Secretary Says No Need for Martial Law

HK0701123791 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 7 Jan 91

[Text] Defense Secretary Fidel Ramos declared that there is no need for martial law in the country even if war

breaks out in the Middle East. According to Secretary Ramos, the military is capable of maintaining peace and order in the country even if there is war in the Middle East. Ramos also said President Corazon Aquino needs no emergency powers even if antiovernment forces launch violence in the event the world goes to war due to Husayn's madness.

Meanwhile, Armed Forces Chief of Staff Lieutenant General Rodolfo Biazon [rank as heard] said Mrs Aquino should use emergency powers to avert anticipated violence in the country.

Emergency Communication Set Up for Gulf Crisis

HK0801032291 Manila THE MANILA CHRONICLE in English 8 Jan 91 p 1

[By Mel Elona]

[Text] The Government is setting up emergency communications facilities to make sure there is no breakdown in the links among key government offices and with non-government organizations in case the Gulf conflict escalates into a shooting war.

The facilities will complement operations of existing government television and private broadcast stations, whose facilities will be "inventoried" to find out their existing equipment, power supply and personnel that can be used for contingencies.

Under the plans, the government will install National Emergency Communications Operations Center (Necoc) in at least three sites and several Regional Emergency Communications Operations Centers (Recocs).

The Necoc will be empowered to mobilize all broadcast and television stations as well as registered radio groups, particularly for presidential announcements or in case of civil disturbances.

All telecommunications and radio groups will also be asked to regularly report to the Necoc.

National Telecommunications Commissioner Josefina Lichauco said funds for the construction of the facilities will come from the $125 million in soft loans from the U.S. Agency for International Development (Usaid) and Export-Import Bank.

She said the failed mini-revolt in Mindanao last year had demonstrated the need for emergency communications centers.

The revolt, led by former army Col. Alexander Noble who is now detained, had disrupted communications between Malacanang and local military and civil officials.

Meanwhile, an organization representing private telecommunications firms asked Transportation and Communications acting Secretary Arturo Corona to give priority to telecommunications in fuel allocations.

The Philippine Electronics and Telecommunications Federation (Petet) headed by Mark Anthony Javier complained that communications "is not at this stage a priority for fuel allocation unlike other utilities."

"The vast majority of private carriers rely on self-contained energy sources, mostly back-up petroleum-based generator sets in emergency situations.

Visa Restrictions on USSR, PRC, Others Lifted

HK0801123591 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 8 Jan 91

[Text] The Department of Foreign Affairs has lifted restrictions on citizens from the following countries: People's Republic of China, Albania, Laos, Libya, Iran, Vietnam, and Russia. These countries have been deleted from the restricted category under a directive issued by Foreign Affairs Secretary Raul Manglapus. The mentioned countries were placed on the restricted category under Foreign Service Restriction Order 159-A in 1983. Under Circular No. 423-90, the citizens of the stated countries may now be issued visas to enter the country.

Aquino Signs Executive Order on Import Levy

HK0801042791 Manila BUSINESS WORLD in English 8 Jan 91 pp 1, 5

[By reporter Anthony L. Cuaycong]

[Text] To compensate for the Senate's non-passage of four of five revenue-generating measures certified by the Executive department and approved by the House of Representatives during the recent special session, President Aquino signed last Friday an executive order imposing an additional 4% across-the-board levy on importations.

In disclosing the development to newsmen, Executive Secretary Oscar Orbos noted, however, that the new import surcharge schedule of 9%—up from the earlier 5%—will take effect 10 days after its publication in at least two major newspeprs. To date, the EO [Executive Order] has not yet seen print.

With the import levey at 9%, Government expects an additional P [peso] 20 billion in revenues annually, securing its bid to attain a P55-billion cut in the consolidated public sector deficit.

Mr. Orbos stressed that the measure "is only temporary in nature. If the pending revenue measures are passed, and we see an immediate realization of these revenues, then there can be a move to phase that out."

As earlier enunciated by Finance Secretary Jesus Estanislao, every new revenue measure okayed by Congress that generates P2.6 billion for the Treasury will enable Government to reduce the import surcharge by one percentage point.

While underscoring the necessity of instituting the measure, Mr. Orbos said its impact "is calibrated so that there will be no immediate effect. Buffer stocks have been introduced for the goods to be affected by the import levy, so prices are not expected to rise immediately."

Expressing the business sector's support for the measure despite its effects on import-dependent industries, Philippine Chamber of Commerce and Industry president Aurelio Periquet said in a separate interview: "We will have to go along with it because it is necessary. Some sacrifice will have to be made."

Echoing the sentiment, Joint Government Business Task Force on Power chairman Raul Concepcion emphasized: "It will not have a large effect on food and agriculture. Food processing and agricultural products have very low foreign exchange requirements."

Secretary Remarks on Ability To Pay Imports

HK0801033691 Manila THE MANILA CHRONICLE in English 8 Jan 91 p 6

[Text] The Philippines, with a foreign exchange reserve of nearly $2 billion, has enough money to finance its import requirements, according to Finance Secretary Jesus P. Estanislao.

Estanislao made the assurance in a memorandum he sent to President Aquino wherein he enumerated the various sources of foreign exchange which could boost the country's reserve position.

The finance secretary said the additional dollars were coming from donor countries and international organizations amounting to $353.7 million.

In his memorandum, Estanislao said the "actual inflow of foreign exchange should help shore up the country's reserve position and should help dispel doubts about out ability to provide dollars for our most basic imports."

It was doubtful, however, if the $353.7 million coming from donor governments and institutions could be used for purposes other than those they were intended for.

The amount Estanislao reported to the President came from the Overseas Economic Cooperation Fund (OECF) of Japan, $220 million; the Asian Development Bank (ADB), $75.7 million; the United States Agency for International Development (USAID), $36 million, and the World Bank (WB), $22 million.

However, the OECF loan of $220 million is in the form of an earthquake-related commodity grant which the Philippines, understandably, cannot use for the purchase of other goods or services.

Of the ADB loan of $75.7 million, $50.7 million is for road and road transport programs related to the government's earthquake rehabilitiation and reconstruction projects.

Similarly, the USAID grant of $36 million is for local development assistance, $10 million; for child survival program, $11 million, and for natural resources and management, $15 million.

The $22-million funding from the WB is also an earthquake reconstruction.

Aquino Confident of IMF Approval of Program

HK0801032091 Manila THE MANILA CHRONICLE in English 8 Jan 91 p 1

[By Lito Zulueta]

[Text] President Aquino yesterday expressed confidence that a visiting International Monetary Fund team would approve the economic stabilization program being proposed by the Philippines to deal with its budgetary deficit problem.

The release of some $700 million in multilateral and commercial loans—to serve as a contingency fund in case of a Gulf war—is tied to the approval of the program.

In a statement, the President said the program aims for "sustained economic growth," by alleviating poverty through more jobs, a better investment climate, new infrastructure and basic services to spur economic activity, support to agriculture and agri-based industries, and the maintenance of peace and order.

"I have expressed confidence that our program will be supported by the international community and that we will succeed in pushng with the economic recovery we all want," said Mrs. Aquino.

Finance officials expect the program to be approved by the IMF board in mid-February.

Finance Secretary Jesus Estanislao said an IMF accord could set the stage for an economic comeback for the country, which has seen its growth levels drop to 3.1% last year, against an average of 6% over the previous three years.

The World Bank has listed the Philippines among the countries badly affected by the Gulf crisis and the sharp rise in world oil prices.

The IMF team will evaluate the government's program on how to cut its public sector deficit, which hit P [peso] 50 billion in 1990 against a target of P32 billion.

An IMF nod would enable the country to hold a second pledging session for the Philippine Assistance Program [PAP] in either Japan or Hong Kong late next month. Major donor countries were expected to pledge some $5 billion in loans and grants under the PAP, finance officials said.

Investments Board Approves 11 Projects

HK0401034391 Manila THE MANILA CHRONICLE in English 4 Jan 91 p 6

[Text] The Board of Investments (BOI) yesterday approved for availment of investment incentives 11 projects worth P [peso] 333.293 million.

The biggest among these was the project of Bey Lin Paper (Phils.) Co., Inc., a joint-venture between Filipino and Taiwanese investors for the export of corrugated boxes.

The firm intends to export its products indirectly by selling to local toy exporters.

The company is expected to start commercial operations on January 1992.

This project was followed in size by Chengteh Ceramic Philippines Inc., a new export producer of decorative ceramic articles. The wholly Filipino-owned project will be undertaken at a cost of P64.05 million.

The decorative articles to be manufactured by the company include picture frames, mugs, flowervases and table items. It would commercially start on March this year.

The project of LVP Philippines Inc. was granted pioneer status by the BOI for its project of manufacturing continuous ambulatory operational dialypies (CAPD). It has a cost of P39.2 million. The company will be able to avail itself of more investment incentives with its pioneer status.

The firm projects a capacity of half a million CAPD bags annually which will be sold to the pharmaceutical company Pharmaplan. This company will sell the products in Thailand and in other countries where they are gaining consumer acceptance.

Ocean Terminal Services, Inc. (OTSI) is modernizing its port cargo handling services at a cost of 33.5 million.

The firm cited the "prevailing heavy traffic congestion at the South Harbor" as its reason for acquiring additional equipment.

The modernization plan calls for the importation of forklifts, payloaders and clamshells of various capacities.

Mode International, Inc. is an expanding export producer of garments. The project, which will cost the firm P23.8 million, will involve mainly the production of pants.

Gold City Integrated Port Services Inc. (Import), is also an expanding operator of port cargo handling facilities at a cost of P15 million. It plans to add brand new cargo handling equipment to its present set of equipment.

Other projects approved by the BOI and their costs; Sung Yeong (Phils.) Inc., P8.436 million; Petalai Garments and Embroidery, Inc., 4.534 million; Marpaz Agricultural Development Corp., P900,000; and Down to Earth Trading Corp. P374,649.

The companies will be able to avail themselves of such incentives as income-tax holiday and duty-free importation of capital equipment which the BOI administers under a program for promoting investments.

Central Bank Securities Growth Reported

HK0401035391 Manila THE MANILA CHRONICLE in English 4 Jan 91 p 6

[Text] Outstanding government securities directly administered by the Central Bank [CB] rose to P [pesos] 243.38 billion as of yearend 1990, reflecting an increase of 8% or P18.11 billion, with weighted average yield rate of 23.60% or 438 basis points higher than the 19.22% posted at yearend 1989.

Gross issuances amounted to P408.26 billion which exceeded by 24% or P79.82 billion the previous year's P328.44 billion. Redemption of matured issues came to P390.15 billion P298.28 billion in 1989.

Bottomline results of 1990 transactions was net sales of P18.11 billion, almost 40% lower compared to the P30.15 billion registered a year ago.

Comprising the bulk of new issuances were short-term Treasury Bills aggregating P362.99 billion, up by P66.46 billion or 22.41% over the previous year, pushing outstanding balance of P192.60 billion with composite weighted average yield of 24.69% for all maturities (up 502 basis points from 1989's 19.678%).

Other new issues included the MWSS [Metropolitan Waterworks Sewarage System] "Angat" Bonds, P460 million; Public Estate Authority Bonds, P200 million; and the maiden "quake" bonds such as the Reconstruction Bonds, P2.0 billion; tulong sa Bayan Bonds, P42.0 million; and U.S. $ Treasury Bills, $87.54 million.

Also, CB Bills regular series were issued in the amount of P14.74 billion (all matured before yearend) alongside CB Bill special series, P22.02 billion and CB Notes, P11 million (both of which were issued in relation to the debt-to-equity conversion program).

Total taxes on government securities withheld and remitted to BIR [Bureau of Internal Revenue] for 1990 reached P8.02 billion or 36.35% more than the P5.89 billion collected and remitted last year.

The figures showed Government is borrowing heavily from local resources to plug huge deficits in finances.

Government Places 8 Items Under Price Control

HK0801040291 Manila THE MANILA CHRONICLE in English 8 Jan 91 pp 1, 9

[By Lito Zulueta and Elizabeth Perez]

[Text] The Government is placing under price control eight basic items to prevent profiteering and price manipulation.

These items are rice, sugar, milk, pork, dressed chicken, cooking oil, flour and liquefied petroleum gas (LPG).

In a related move, the government also started filling up food depots to ensure adequate supplies to Metro Manila in case a shooting war erupts in the Middle East.

Agriculture Secretary Senen Bacani said the agriculture department has been stocking up on basic food commodities such as rice, sugar, corn and coconut oil in secret warehouses as part of its food contingency plan named "Oplan [Operational Plan] Uranus."

Bacani said the food depots are located in strategic areas around Metro Manila where critical food supplies can be made accessible to the metropolis' eight million residents. He declined to reveal the exact locations and inventories of the warehouses "for security reasons."

On price control, Undersecretary Ernesto Ordonez said the government would finalize today the imposition of price ceilings on the eight basic items.

After issuing a stern warning against profiteers and hoarders, President Aquino yesterday directed the police to form "quick reaction teams" to go after unscrupulous traders.

Responding to the President's order Brig. Gen. Mariano Filart, Metro Manila police superintendent, started forming "quick reaction teams" in police districts nationwide.

Filart said the teams are going to be formed under the supervision of local officials.

The creation of "quick reaction teams" was agreed upon during a meeting between Executive Secretary Oscar Orbos and Metro Manila mayors and the police officials.

Orbos, at the same time, clarified statements attributed to Malacanang that Mrs. Aquino would create courts to try suspected hoarders and profiteers. He said the President, who has no power to create courts, has in fact asked the Supreme Court to perform this prerogative of the judiciary.

On food stocking, Bacani explained that special attention has been focused on the food requirements of Metro Manila "since it does not produce any of the food it consumes and since a great number of people are concentrated here."

"For sure, the first five days after the shooting starts would be most critical. This is why we have to make sure that there are no disruptions in the food flows to Metro Manila," he said.

Bacani insisted that supply is not the critical problem at present but the distribution of food, adding that there are enough rice stocks to last for the next 94 days, and corn and sugar for the next 60 days.

Bacani also ruled out food rationing, saying that the department is doing everything possible to make sure that food production does not drop and remains undisrupted.

He said the agriculture department has secured the commitment of Indonesia and Malaysia to supply the country with about 180,000 tons of urea fertilizer, in case fertilizer supplies from the Middle East stop coming in. About 30% of the country's fertilizer requirements come from the Middle East and another 30% is supplied by Eastern Europe.

'Combat Striking Force' Set for Metro Manila

HK0801042391 Manila MANILA BULLETIN in English 8 Jan 91 p 8

[By Roy C. Sinfuego]

[Text] The Special Action Force (SAF) of the defunct Philippine Constabulary (PC), the elite Special Warfare Action Team (SWAT), and the Metropolitan Field Force (MFF) will be merged into a single "combat striking force."

The striking force will assist police units in Metro Manila in an intensified campaign against organized crimes, the Communist Party of the Philippines-New People's Army, and armed elements of ultra-rightist groups.

Brig. Gen. Marino Filart, PNP [Philippine National Police] regional director for Metro Manila, said the SAF, SWAT, and the MFF forces will be organized into two special PNP strike force battalions to support the four PNP district commands of Metro Manila.

Filart said under the new setup, each police district will have its own PNP SAF district striking force.

However, the Western Police District will have SWAT teams which are to be assigned permanently to an area close to the Malacanang Palace security and defense periphery.

SAF will also be assigned from time to time to augment PNP forces during civil disturbances and will be deployed for other missions, such as combat mission against the dreaded Alex Boncayao Brigade (ABB) and armed groups involved in holdups of banks' armored vehicles and terrorist activities of ultra-rightist groups.

Filart did not name who will comand the SAF battalions but he said it will be manned by an experienced officer who will be drawn from among the most qualified PNP officers.

In an another development, Filart was reported to have expressed disgust over the uncooperative attitude of bank executives towards security schemes that he had proposed to prevent holdups of bank armored vans.

He said he had proposed some security innovations that would make it "to difficult" for holdup men to succeed in robbing armored vans. His proposals were ignored by the bank executives, it was learned.

He did not reveal his proposal on how to foil bank van robberies.

Military To Reduce Staff Positions, Units

HK0801033891 Manila THE MANILA CHRONICLE in English 8 Jan 91 p 9

[By Manny Mogato]

[Text] Senior military officials yesterday bared plans to stremaline the general headquarters' staff positions and to reduce maneuver units by 30%-40% this year.

A Camp Aguinaldo official said a major change in the armed forces leadership and structure would be made this year as part of the government's austerity measure.

According to the proposed reorganization, several staff positions in the general headquarters would be either abolished or merged to cut on bureaucracy and send personnel in the field.

A plan is also afoot to reduce within three years the number of infantry battalions from the present eight to only five in a three-year period.

These plans were among the agenda discussed by a meeting of the board of generals last week.

The board of generals is composed of the chief of staff, the vice chief and deputy chief of staff and the three major service commanders of the army, navy, and air force.

Under the proposed command and staff structure, the present 10 general staff positions would be reduced to only four. The proposal also aims to "de-militarize" the AFP [Armed Forces of the Philippines] Logistics Command (Logcom) office.

The offices to be retained would be personnel, intelligence, operations and logistics. The rest would be either abolished or merged.

The plans and programs office would be merged with the personnel office, while the education and training and the civilian-military operations offices would be merged with the operations office.

The retirees and reservists office would be abolished and made into an armed forces agency under the personnel office.

The comptrollers office would be abolished and merged with the AFP Finance Center. The material development office will be merged with the logistics office.

The operating arm of the logistics office, the AFP Logistics Command, would be under the jurisdiction of the civilian office of the defense department. The plan was patterned after the U.S. Armed Forces setup.

The same staffing pattern would be adopted in the navy, army and air force.

The army would be most affected by the planned decrease. Its 70,000 ground forces would be reduced by 20,000.

The army planned to trim the present army divisions from eight to five units.

A division is composed of at least three infantry brigades. A brigade is composed of at least three infantry battalions. At least 500 soldiers composed a battalion.

Notwithstanding the planned reductions, the government yesterday rewarded loyal military officers with appointments to key positions in the armed forces.

Those who defended the government in the December 1989 coup were given top positions in the army. Among them was Brig. Gen. Edgardo Batenga, who was promoted as commander of the 7th Infantry Division based in Fort Magsaysay in Nueva Ecija.

He replaced Brig. Gen. Ernesto Calupig, who was promoted as commander of the Northern Luzon Command (Nolcom).

He replaced Brig. Gen. Gumersindo Yap, who was promoted as AFP Southern Command (Southcom) commander Yap's position has a two-star rank.

Yap replaced Maj. Gen. Manuel Dizon, who had reached the mandatory age retirement.

Batenga led the defense of Camp Aguinaldo at the height of the coup. He was appointed commander of 701st Infantry Brigade based in Camp Ver in Pasig after the coup.

Armed Forces Official Appeals for Rebel Talks

HK0801051991 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 8 Jan 91

[Text] Acting Armed Forces of the Philippines Chief of Staff Brigadier General Rodolfo Biazon appealed again to hold dialogues between the government and rebel groups. In the weekly coffee shop forum at the Manila Hotel, Biazon said it would be a great help to the country if cease-fire is effected the moment war breaks out in the Middle East. At the same time, he announced the possibility of banning all types of mass action during the emergency situation. If mass actions are tolerated, the result would be a society in turmoil.

Rebel: Advice Sought From Japanese Red Army

OW0701132791 Tokyo KYODO in English 1259 GMT 7 Jan 91

[Text] Manila, Jan. 7 KYODO—Government agents have captured a communist rebel who admitted participating in the kidnapping of a prominent Japanese executive in the Philippines in 1986, a National Police spokesman said Monday.

Lt. Col. Cris Maralit identified the rebel as Florencio Montera, a confessed member of the Special Operations Section (SOS) of the New People's Army (NPA) General Command, who was arrested on Friday at a rebel hideout in suburban Quezon City.

Montera is the first established participant in the celebrated case to be arrested after four years of investigation. He was presented handcuffed to reporters on Monday but was not allowed to be interviewed.

In a police report, Montera claimed to have been part of the rebel team that abducted Nobuyuki Wakaoji, manager of Mitsui and Co.'s Manila branch, as he was leaving a golf course south of the capital in November 1986.

Wakaoji was freed unharmed by his kidnappers on March 31, 1987, and returned to Tokyo, where he died shortly afterward. The Japanese trading company has denied paying ransom to the kidnappers.

During his interrogation, Montera also allegedly said that he heard from other members of the six-man rebel team that the NPA sought advise from the Japanese Red Army guerrilla group on how to negotiate with Mitsui for a ransom.

The plan to abduct Wakaoji, dubbed "Operation Customer," was hatched as early as February 1986 and was launched in September the same year, the report said.

The report said that the kidnapping was staged by a special unit within the SOS codenamed "Delta Force" that was formed to generate "finance and logistics" for the rebel movement, which has been fighting to establish a Marxist government in the Philippines since 1968.

The report said six members of the team were in two vehicles which intercepted Wakaoji's car as it left the Canlubang golf course on November 15, 1986. The abductors then took Wakaoji near an exclusive subdivision in suburban Alabang.

A ranking officer of the National Police involved in Montera's investigation, however, said Montera had not yet revealed if Mitsui actually paid a ransom and, if so, how much.

Montera's testimony was supported by another communist rebel, arrested by Constabulary agents in 1988, who said in a sworn statement that he had known that two colleagues participated in the Wakaoji kidnapping.

National Police sources said the other captured rebel, who wished to be known only as Ka [comrade] Andy, is now being used by authorities as an agent and was instrumental in the arrest of Montera.

In his testimony in October 1988, a copy of which was obtained by KYODO NEWS SERVICE, Ka Andy said he heard from his colleagues that the NPA was demanding ransom for the kidnapped Japanese.

Montera and the same group also attempted in 1988 to kidnap the French ambassador to Manila but failed, the report added.

The report said the SOS, a strike force which could operate in any part of the country, was also responsible for the slaying of American servicemen James Green and John Rayben in the vicinity of the U.S.-run Clark Air Base, about 70 kilometers north of Manila, on May 13 last year.

Montera himself was also part of an SOS team which participated in the killing of a high-profile Constabulary captain, a failed ambush on a city mayor, and the slaying of a religious leader, the report said.

Detainees Seek Release of Detained Wives

HK0701051791 Manila THE MANILA CHRONICLE in English 7 Jan 91 p 7

[By Julie Javellana]

[Text] Seven political detainees of Camp Crame yesterday called on the government to resume former president Marcos' policy of releasing wives detained with their husbands.

The detainees, Rafael Baylosis, Antonio Cabardo, Randall Echanis, Vicente Ladlad, Rodolfo Salas, Antonio Tujan and Benjamin de Vera said in a statement that the practice had been contained in a letter of instruction issued by Marcos.

"The practice was even formalized in a letter of instruction (LOI 621)," they said, citing the release of Julie de Lima Sison, wife of alleged communist party chairman Jose Ma. Sison and of Milagros Buscayno, wife of alleged New People's Army founder Bernabe Buscayno.

The Camp Crame detainees sought the release of 10 wives who were being held with their husbands in various military camps and in city and provincial jails nationwide.

They identified the 10 as: Teresita Atienza, Natividad Banga, Lucila Buan, Rita Canasa, Marie Claud, Rosella Dilodilo, Ma. Ermina Domingo, Carolina Malay, Caridad Magpantay-Pascual and Araceli Rollefa.

The release of Erlinda Lacaba-Echanis, they said, "should set a precedent for the rest of these detained couples. At least, the detained wives should be set free to attend to their children and find ways to earn a living."

The detainees alleged that the number of jailed couples increased under the Aquino administration.

"Ironically, under the Aquino government, which claims to have restored democratic processes, arbitrary arrests are just as rampant and the number of detained couples is on the rise."

They also criticized the belated release of Erlinda Echanis, her two-year-old daughter Amanda (Tata) and nurse Nora Manguiob.

The three were freed on Dec. 26, two months after Defense Secretary Fidel Ramos ordered their release.

"The political detainees of Camp Crame express our deep appreciation for all the efforts made by the supportive friends and human rights advocates to secure Linda's, Tata's and Nora's release," the statement said.

The detainees also said it was a relief to see their three co-detainees freed from the cramped stockade.

They said Tata was being nursed inside a 20x8 foot space, or half of the room she and her parents were sharing with Rosella and Meland Dilodilo.

Judge Orders Release

HK0801103991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 8 Jan 91

[By Jennifer Postigo]

[Text] Quezon City Regional Trial Court Judge Maximiano Asuncion today ordered the release from military custody of National Democratic Front official, Carolina Bobbie Malay Ocampo. In an unprecendented decision, Judge Asuncion orderd the military to temporarily free Carolina Ocampo in recognizance of the Letter of Instruction No. 621, or the release of wives from military custody for humanitarian reasons, issued by former President Ferdinand Marcos which until now has been recognized by our courts. Carolina Ocampo will continue to attend trials of the murder case she and her husband, and seven other communist rebels, are facing in relation to the killing of Bienvenido Liporo Jr., alias Comrade Romy Sandoval, in Mauban, Quezon, in October 1988. Judge Asuncion's directive also states that while the murder case trial continues, Ocampo will live with her parents, Dean and Mrs Armando Malay, in Quezon City and will take care of her young children there.

New People's Army Leader Arrested in Hospital

HK0701053291 Manila THE MANILA CHRONICLE in English 7 Jan 91 p 7

[By Arthur Sales]

[Text] Lucena city—The Philippine National Police (PNP) here raided the Mt. Carmel Hospital and arrested a suspected New People's Army (NPA) leader last Saturday.

Arrested was Nestor Pangilinan, alias Ka [comrade] Alex, suspected of being an NPA leader in Sariaya, Quezon.

Pangilinan was recovering from surgery from a bullet wound in his stomach when the 231st PNP Co., led by Capt. Jacinto Dino, arrived.

He was reportedly wounded in an earlier encounter with army troops.

Last Jan. 3, the 231st Co., in a joint operation with local police, had arrested and detained eight suspected NPA rebels in Pagbilao, Quezon.

Arrested while sleeping were Teodolfo Regalario, 36; Jaime Regalario, 21; Andres Regalario, 26; Francisco Orig, 37; Pedro Orig, 23; Manuel Orig; and a certain Rolando Rivera.

Military agents had identified the eight as "revolutionary tax" collectors of the ultra-leftist armed group.

The suspects had allegedly demanded P [peso] 30,000 from a piggery farm, owned by a certain Philip Tan, in Barangay Mapagong, Pagbilao.

But the Task Force Detainees (TFD), a human rights group, condemned the arrests, saying the eight were arrested without warrants and were being held without charges.

Catalina and Purisima Regalario, wives of two of the detainees, said their husbands were peace-loving citizens held illegally by the police.

According to the two, their neighbors in Barangay Mapagong would testify that their husbands, and others detained with them, were simple handicraft weavers and common farmers, and not communists.

They have appealed to the TFD and provincial officials for the release of the eight.

Angeles City Under 'Virtual' Emergency State

HK0701052991 Manila PHILIPPINE DAILY INQUIRER in English 7 Jan 91 pp 1, 10

[By Jay Sangil]

[Text] Angeles city—This city has been under a virtual state of emergency since a wave of assassinations in nearby Mabalacat town toward the end of December.

At least 12 persons have been killed and their deaths were blamed on either the insurgency or political vendettas.

But the "war" now raging in neighboring Mabalacat has spilled over to this city. A climate of tension and fear

hovers over this city and the towns surrounding Clark air base as military troops in armored vehicles roam the streets and secluded barrios.

Over the weekend, Pampanga Gov. Bren Guiao received a delegation of local officials led by Pampanga Representatives Oscar Rodriguez and Carmelo Lazatin and Vice Mayors Edgardo Pamintuan of Angeles and Marino Morales of Mabalacat. They denounced alleged human rights violations by members of the Army's 24th Infantry Battalion.

Residents accused the Army soldiers of barging into rural homes at night and maltreating male household members suspected of sheltering communist rebels.

The officials sought the transfer of the Army battalion led by Col. Rene Dado and a certain Major Palparan, claiming "their terroristic acts only serve to fan the propaganda methods of the rebels."

Pamintuan blamed a high city official and political adversary for the ambush-killing of his two aides—Archie Simbulan and Ramon Garcia—by still unidentified gunmen last week.

He said the city official was responsible for the circulation of a photo-copy of a "death list" containing the names of 37 prominent figures allegedly giving support to the New People's Army.

Pamintuan and Simbulan topped the list, which also includes the names of prominent lawyers, doctors, politicians, businessmen and civic and religious workers.

Among them were former Constitutional Commission Delegate Jose Suarez of the Bagong Alyansang makabayan, defeated congressional candidate Arlene Buan, Angeles Councilor Ricardo Zalamea, Dr. Dardani David, lawyer Juanito Velasco, and Sister Celine Saplala.

The vice mayor said he had been receiving death threats before the ambush of his two aides.

Prominent politicians here said the killings recalled a similar bloody orgy of killings in the city in 1987 when some 40 were killed.

Meanwhile, Clark authorities have restricted the off-base movements of their personnel to a few selected night spots and hotels they considered safe for American patrons. Squads of Filipino and American soldiers on patrol jeeps have been deployed in key points on the city.

Bulacan Rebels Launch Operation Against Agents

HK0701051991 Manila MANILA BULLETIN in English 7 Jan 91 p 21

[By Jerry Lacuarta]

[Text] Camp Olivas, Pampanga—Communist rebels in Bulacan have launched "Oplan Paglilinis" [Operational Cleaning Plan] aimed at eliminating suspected deep-penetration agents (DPAs) from the communist hierarchy, particularly the New People's Army (NPA), an NPA squad leader told police over the weekend.

Christopher Agulto, 18, alias "Ka [comrade] Orly," of Hagonoy, Bulacan, said he surrendered to the police after sensing his life was in danger, following the launching of the "Paglilinis" campaign. He was the NPA squad leader of District 3 under a certain "Ka Edwin" which operates in San Miguel and San Ildefonso.

He said he joined the NPA in 1988 as a courier.

But police intelligence sources, quoting seized NPA documents, said Agulto deplored the killing of suspected double agents by the hardliners.

Agulto, who surrendered to Col. Antonio Lopez, Aurora police superintendent, said he witnessed the killings of at least seven suspected DPAs before he fled "for fear of his life." He was placed under the custody of Lopez.

Lopez presented Agulto over the weekend to Brig. Gen. Manuel F. Bruan, Central Luzon police regional director, before he was allowed to be interviewed by newsmen.

Bruan said Agulto was a big loss to the NPA in Bulacan as the former rebel is an expert in explosives and demolition.

Braun ordered his men to look for mass graves where the slain suspected DPAs are buried.

Intelligence sources said Agulto and his group have been the target of a massive hunt by the Bulacan police, particularly in eastern Bulacan.

Agulto's group was believed responsible for the ambush-slaying last month in Malolos of "Ka Becky" and two others, who surrendered to the police several months ago.

Agulto admitted to newsmen he was a participant in the killing of "Ka Becky."

An intelligence officer said the "infiltration" of so-called DPAs has become a big problem of the NPAs in Bulacan.

Reports on Clashes With New People's Army Rebels

HK0401120991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 4 Jan 91

[Text] Ten New People's Army [NPA] rebels took two soldiers hostage in Pantukan, Davao del Norte. The hostages were identified as Master Sergeant Sofronio Garsol, Pantukan Philippine Constabulary detachment commander; and Constable Second Class Garino. DZMM learned that the rebels, led by a certain Commander Godi, were supposed to surrender to the government yesterday. Based on the military report, the surrendering ceremony had been planned for a long time and yesterday was the appointed date. There was an

exchange of shots during the surrender and this resulted in the hostage taking. Constable Second Class Retanar was wounded. The whereabouts of Garsol and Garino are still unknown.

In a related incident, an armed man suspected to be an NPA member was slain after a 15-minute fight in the mountainous region of Talisay, San Francisco, Quezon Province. The military report said the government troop patrolling in the area intercepted two armed rebels. Patrolman First Class Ferdinand Balingod of Nagilian, Isabela was wounded. He was rushed to the Quezon Memorial Hospital after sustaining wounds in the arms. Confiscated from the site of the encounter were an M-16 armalite rifle, six fragmentation grenades, and subversive documents. The 203rd Brigade led by Brigadier General Clemente Meriano continues to pursue the rebels.

Thailand

Prime Minister Chairs 7 Jan NSC Meeting

BK0701150191 Bangkok Army Television Channel 5 in Thai 1230 GMT 7 Jan 91

[Text] Prime Minister General Chatchai Chunhawan chaired a meeting at Government House today of the National Security Council [NSC]. The meeting was attended by senior officers from the three Armed Forces and by some cabinet ministers. The meeting of the SNC lasted for about two hours. Attending the meeting were Supreme Commander General Sunthon Khongsomphong, Air Force Commander Air Chief Marshal Kaset Rotchananin, Assistant Navy Chief of Staff for Operations Vice Admiral Surayut Maharom, and Interior Minister Police General Praman Adireksan. Most participants in the meeting declined to give details of the meeting and only told reporters to ask the prime minister about it. Supreme Commander General Sunthon said that details of the meeting are an official secret and to divulge information about the meeting would violate the law.

[Unidentified correspondent] You said that day that consultations should be held first if [words indistinct].

[Sunthon] To give details would violate the law.

[Correspondent] How are we concerned with the Gulf situation?

[Sunthon] Please ask the prime minister. I cannot give you any details. He instructed me not to give details.

[Correspondent] [question indistinct]

[Sunthon] Please ask the prime minister.

[Correspondent] Why did the army commander not join the meeting?

[Sunthon] The army commander was occupied with official work.

[Correspondent] Where did he go?

[Sunthon] I do not know.

Safety Measures Issued for Embassies, Passengers

BK0801073891 Bangkok Domestic Service in Thai 0530 GMT 8 Jan 91

[Text] The Thai Government has issued safety measures to provide protection for all embassies in Thailand, particularly those of the Middle East countries, and has ordered authorities concerned to strictly and thoroughly check passengers before boarding every plane. Deputy Prime Minister General Athit Kamlang-ek, in his capacity as chairman of an ad hoc committee for consideration of evacuation of Thai workers in the Middle East, briefed reporters on the issue at Government House this morning.

[Begin recording in progress]... [Athit] We have to impose measures to strictly and thoroughly check airplane passengers. As a matter of fact, we earlier urged stricter measures following the hijacking of a plane by Burmese students. Once again, we will have to tell the officials to carry out stricter preventive measures.

[Reporter] Do you mean for both arriving and departing passengers?

[Athit] Well, in particular, passengers must be checked before boarding a plane.

[Reporter] Is there any report that terrorists may come to Thailand to carry out some kind of operations?

[Athit] No, not yet in Thailand. Anyway, we must carry out measures to provide greater protection for airplane passengers.

Further on Medical Team's Middle East Dispatch

BK0801093791 Bangkok Domestic Service in Thai 0530 GMT 8 Jan 91

[Text] The first Thai medical team assigned to look after Thai workers in the Middle East is scheduled to leave Thailand on 10 January, Public Health Minister Piyanat Watcharaphon told reporters.

[Begin recording] [Piyanat] The entire schedule for the mission has been worked out by the Foreign Ministry. I have made an appointment with the first group, which will leave on 10 January, to brief them before they begin their tour on guidelines for their operations. I asked them where it would be convenient to meet—at the Ministry of Public Health or at Parliament where I will be attending a meeting.

[Unidentified correspondent] How many will there be in the whole mission?

[Piyanat] There will be three teams; each team will be composed of seven members. I do not know if there will be any changes to this formula.

[Correspondent] Will the groups be comprised of only doctors, or will they also include some nurses?

[Piyanat] There will be doctors, nurses, and public health officials. The Pharmaceutical Organization is preparing medicines and medical equipment for the mission. Some of the medical items will be sent with the groups and the remaining will be sent later. I do not think there will be any problem. It's not that we are overconfident, but we expect the Thai people in the Middle East will be far away from the potential war zones. This is because the areas our people will be evacuated to are out of missile range. Therefore, there should be nothing to worry about. I think our medical personnel may not have to heal any wounds at all. They will only see to the good health of the Thais over there. [end recording]

Editorial Views Emergency Plans for Gulf Workers

BK0801022191 Bangkok BANGKOK POST in English 8 Jan 91 p 4

[Editorial: "A Record That Will Be Envied"]

[Text] Although the United Nations deadline for Iraq to get out of Kuwait expires a week today, there were reports at the weekend that large numbers of Asian workers remain in Middle East countries likely to be on the front line in the event of war. Some 300,000 Sri Lankans, 500,000 Filipinos and 800,000 Pakistanis are believed to remain in the Gulf area, apparently because their governments do not have the financial and other resources to organise their evacuation.

Their situation is in sharp contrast to that of the estimated 80,000 Thais in Saudi Arabia, Bahrain, Qatar, Jordan, Israel or Iraq itself where some 139 Thai workers remain along with another 20 in Kuwait. Of those in Iraq, many have taken the precaution of obtaining exit visas and moving to an area close to the Jordanian border. Others, working for a Korean company with its own evacuation plans, have weighed their chances and elected to stay on the job. Another group of Thai workers, in Saudi Arabia, has also declined evacuation. They are employed by the Saudi Defence and Aviation Ministry to work in US military camps near the Kuwaiti border in civilian tasks such as telephone and water repairs.

Some of those staying behind have declared—understandably—that they fear unemployment more than war. Although they have been urged by the Labour Department (out of fears for their safety) to leave the area, by demonstrating loyalty and trust in their employers these courageous Thais have set a fine example of Thai worker conduct abroad.

The decision whether or not to accept evacuation in times of crisis is always highly personal and something that can be hard for relatives and friends at home, far from the danger zone, to comprehend. It can be reasonably assumed, however, that those Thais who have decided to stay in the Gulf have made a mature decision based on their experience of local conditions and an assessment of the support they can expect from employers and local contacts.

The estimated 3,000 Thai women working as maids or house-keepers in Saudi Arabian homes are in a different situation. Religious customs in the Islamic kingdom forbid them to travel alone. Disturbingly, many are reportedly locked in the houses where they work when their employers go out. Despite this, it seems unlikely that well-off Saudi families employing foreign doemstic staff will allow their households to remain in areas in danger of military attack.

All in all, Thai officials, both from the Labour Department and the Ministry of Foreign Affairs, seem to have done about as much as can be done by way of contingency planning. Similar officials also went to Singapore when Thai workers were threatened with severe penalties unless they got out of the island republic and the Government arranged for thousands to be brought home by ship and train.

Nationals of other Asian countries rarely get such assistance from their governments as the figures of hundreds of thousands of workers left stranded in the Gulf unfortunately demonstrate. While many of these countries may legitimately be able to claim they cannot afford the cost of evacuation, it is reasonable to ask whether finance is the only hurdle. Such a question could also be asked of non-Asian countries.

With the notable exception of the United States which believes its government has a responsibility to provide practical assistance to Americans in trouble abroad, the administrations of few other countries seem to feel they have obligations to their citizens beyond giving warnings and advice.

While Iraq was holding Westerners hostage, the governments of victims took diplomatic steps to secure their release and sent aeroplanes to pick them up when they were allowed to leave. But Thai nationals were never hostage. And almost all went to the Middle East under private sector arrangements, not on government contacts. In such a situation most governments would disown them.

That the Thai Government has allocated more than 500 million baht for their evacuation, sent officials to make advance arrangements and drawn up detailed evacuation plans sets an example many countries and their nationals may justifiably envy.

Foreign Minister's Visit to Saudi Arabia Viewed

BK0801085191 Bangkok BANGKOK POST in English 8 Jan 91 p 4

[By Suphaphon Kanwirayothin entitled: "Bungled Diplomacy"]

[Text] Recent diplomatic efforts by Foreign Minister Athit Urairat have generated a number of questions over both the substance and timing of the move that brought Thailand out of the non-committal to the clear-cut stance in the Persian Gulf conflict.

Although Prime Minsiter Chatchai Chunhawan—whose new government is to announce its policy at a joint parliamentary sitting tomorrow—has played down the controversy caused by Dr Athit's visit to Saudi Arabia during December 29 January 2, questions remain over whether Thailand has any justified need to become actively involved in the Gulf affairs, i.e. by pledging full support for Saudi Arabia and offering to send medical officials and technicians to the Gulf.

Farsighted, or myopic, Dr Athit's move definitely has far-reaching ramifications.

Reactions came from Saranrom Palace and members of the Cabinet, including Deputy Interior Minister Watthana Atsawahem, who accused the Foreign Ministry of hindering his journey to Saudi Arabia.

The core of the Foreign Ministry's functioning lies in consultation and coordination with other government agencies, in order to enable our representatives abroad to carry out their duties effectively, including repatriation of Thai workers in times of crisis.

"Let's face it, the Foreign Ministry lacks the wherewithal. Suppose the Interior Ministry fully delegates the responsibility of evacuating Thai workers to the Foreign Ministry, how can we carry out the job by ourselves?" said one senior Saranrom Palace official, who requested anonymity.

In one concerted voice, academics, diplomats and the Prime Minister's policy advisers at Ban Phitsanulok questioned the need for Thailand to go further than complying with the UN resolutions on trade embargo against Iraq.

Leading world politicians such as former British prime minister Edward Heath and former Japanese prime minister Yasuhiro Nakasone have volunteered to serve as intermediary in the conflict. Added to the list over the weekend was Indonesian Foreign Minister Ali Alatas, whose country is on the forefront of the Non-Aligned Movement.

In the context of ASEAN vis-a-vis the Gulf crisis, Indonesia and Malaysia, which are both Muslim and oil-exporting countries, should have greater leverage and be better placed to get involved in the matter, if they choose to, than Thailand, whose place in Middle East politics is in no way prominent.

"As an intermediary, you ought to have bargaining power, the ability to present carrot or stick. Thailand possesses none of that," said Opposition MP Surin Phitsuwan (Democrat-Nakhon Si Thammarat).

Realistically speaking, Thailand is in no position to shape the outcome of the Gulf conflict, another analyst said.

"A thought-provoking note here. Should we step out of the gray area of commitment to the UN resolutions, and present ourselves black and white at the precarious time when a solution can come one way or another?" the senior official asked.

He noted that in time of "remaining in gray area" Thailand had successfully repatriated hundreds of workers from both Kuwait and Iraq.

All interviewees converged at one point: Thailand would not be affected no matter how the Gulf situation unfolds as long as it complies with the UN resolutions.

On the other hand, supporters of Dr Athit argued that Thailand's expression of a clear stance is something "long overdue" and could not have come at a better time and circumstances. Saudi Arabia, as leader of the Gulf Cooperation Council, was disappointed with Malaysia's lethargy, they noted.

The proponents said it was urgent and legitimate for Bangkok to warm ties with Saudi Arabia in order to secure Thai interests in the export of labour and trade which have dropped drastically over the year as a result of travel restrictions on both sides.

Analysts view "national interests" the other way round.

One pointed out that Dr Athit's throwing support behind Saudi Arabia has antagonised Iraq, which in terms of economic interests and labour market is also important to Thailand.

Iraq is yet to settle a 1,700-million-baht debt in rice purchases from Thailand.

In addition, the Premier's policy advisers at Ban Phitsanulok are concerned that the move could subject Thailand to terrorist attacks from Iraq and some of its allies in the Arab world.

The advisers are of the opinion that non-involvement in the Gulf conflict would best serve Thailand's interests.

Regarding the export of Thai labour, analysts argue that it depends on Saudi Arabia's own demand for foreign labour. Even if it wants to return our favour, Saudi Arabia cannot do anything if there is no demand back home.

"It's not the matter of them feeling indebted," one analyst said.

It is doubtful whether Saudi Arabia would feel any gratitude towards the Thai gesture.

"The intention may be to gain favour from Saudi Arabia. But Thailand's support has no significant influence over the issue. No more no less, we have strictly complied

with UN resolutions. Why risk yourself when you are in no position to shape the event?" the analyst said.

The move by the Foreign Minister is thus "needless and uncalled for."

It would be fine if Thailand is in a position to influence the outcome. But this is the US's game," he added.

The Premier's advisers are also concerned that Dr Athit's move prior to the Government's policy announcement would open yet another vulnerable spot to the Opposition.

Such "high-flying exercise" aimed at scoring political mileage has minimised the Foreign Ministry's prestige.

"While I do not question the good intent of the Foreign Minister, he ought to heed the advice of career diplomats in a brainstorming session, involving not only the substance but the timing of the move," the senior official said.

As far as national credibility is concerned, foreign affairs should not be influenced by domestic politics, another analyst said.

"Sweet words are necessary in diplomacy, but what's more necessary is a firm, well-coordinated policy statement reflecting national consensus on the issue," said Dr Surin.

Describing Dr Athit's overture as "half-baked and hazardous," the Muslim MP queried whether Dr Athit's pledge to Saudi Arabia has received full constitutional backing at home.

"If without, the situation is exacerbated because you cannot fulfil your words... The Government is yet to announce its policy to Parliament, and as a matter of principle, Cabinet ministers cannot commit any policy further than routine and real pressing issues," Dr Surin said.

This is particularly so when it comes to politically sensitive issues such as the Gulf crisis, where even the Muslim world is divided, he said. One would need full national commitment to endorse such actions, which means inter-agency consultations, parliamentary and constitutional procedures, the MP said, adding that Dr Athit's overture lacked all of these legitimate characteristics.

While agreeing that Thai-Saudi relations need to be improved urgently, Dr Surin argued that "This is not the way of doing it."

Another analyst said bilateral relations have been strained mainly due to Saudi Arabia's own doing, and Thailand is not to blame for the cooling of relations.

In resolving the murder of its diplomats in Bangkok which Riyadh cited as the cause for freezing ties with Thailand, it is well known that Saudi Arabia itself did not want certain facts to be brought into light. This has posed considerable constraints for the Thai police.

"This could not be resolved by Thailand's overly friendly gesture. It could be dealt with through dialogue to establish an understanding on this issue and let time heal the wound," he said.

One of Dr Athit's supporters agreed that the move might have been "too hasty," but it has achieved the impact of winning appreciation from Saudi Arabia. Following Dr Athit's visit, he noted, Saudi Arabian authorities are now ready to lift a ban on re-entry visas for Thai workers. His statement cannot be confirmed by Saudi Arabian Embassy officials, who are not available for comment.

There is always a price to pay for any undertaking. The Foreign Minister should take this as a valuable lesson, so that he could take new steps in the right direction.

Foreign Ministry on Do Muoi Visit, Summit

BK0801062891 Bangkok THE NATION in English 8 Jan 91 p A2

[Text] The first summit meeting between Thai Prime Minister Chatchai Chunhawan and his Vietnamese counterpart Do Muoi planned this month is likely to be rescheduled to February to allow the two sides to work out preparations, a senior official at the Foreign Ministry said yesterday.

The official said Foreign Minister Athit Urairat planned to visit Hanoi to make arrangement for the summit some time this month following his introductory trip to some ASEAN countries planned between Jan 13 to 16.

The official said Hanoi proposed Jan 22 as the convenient date to welcome his visit.

Former minister Subin Phinkayan's planned trip to Hanoi to pave the way for the meeting late December last year became null and void because of the Cabinet reshuffle on Dec 14.

Thailand, SRV To Exchange Information on Rice

BK0401062791 Bangkok THE NATION in English 4 Jan 91 p B12

[By Atchara Pongwatitham]

[Text] Thailand and Vietnam will exchange information on the production, marketing and technology on rice in a cooperative effort to prevent both sides from indulging in cut-throat pricing to win the world market share.

Niphon Wongtra-ngan, executive president of the Rice Mills Association, said after a visit to Vietnam early this week that the association had proposed the exchange of information programme so that both countries would be able to sell low-grade rice at reasonable prices.

He said that Vietnam and Thailand have both pledged to become "friendly competitors" as of this year in rice trade. By this, Vietnamese rice traders will quote the prices based on Thai rice prices in the world market.

However, if the Vietnamese traders should face any price problems, they will be able to seek information from the association. Thailand is now quoting a paddy production cost of Bt [baht] 3,800-Bt4,200 per tonne.

The Vietnamese informed the Thai delegation that in the past they had not intended to cut the prices of Thai rice. But during 1989-90, because it had a large amount of low-grade rice in the stock, together with delayed shipments, Vietnam had to lower rice prices to get rid of stocks.

Marketing tactics of the foreign brokers to force the Vietnamese to sell rice at the lower prices to compete with the rice from Thailand were also blamed.

Niphon said that he would submit the cooperation agreement with Vietnam to the Foreign Ministry to show Thailand's sincerity. The agreement would be announced officially during the upcoming visit of the Vietnamese prime minister to Bangkok this month.

The paddy output of Vietnam in the producing 1990-91 season is expected to decline by 8.36 per cent to 17.87 million tonnes compared with last season's 19.50 million tonnes. The reduction in paddy output is due to floods in the Vietnamese northern and central regions.

The production cost of Vietnamese rice this year is likely to increase due to the government's free trade policy and the move to cut subsidies on fertilizer.

Niphon said that the situation of Vietnamese rice exports will not be a serious problem for Thai rice as Vietnamese traders have to limit their rice exports to within each quarter and advanced selling is not permitted.

Exports of Vietnamese rice are expected to be about 1.04 million tonnes in 1991, a decline of 38.8 per cent from 1.7 million tonnes last year.

Moreover, Vietnamese rice has to face a problem from the lack of port infrastructure. The Vietnamese port has a transportation capacity of only 700-800 tonnes a day.

If the information exchange between the two countries succeeds, Thailand plans to enter into similar agreements with other competitors such as India and China, he said.

Thailand's exports of rice this year are expected to be 3.5-3.6 million tonnes, a decline from 3.926 million tonnes last year.

Prime Minister, Military 'Not in Conflict'

BK0801020991 Bangkok BANGKOK POST in English 8 Jan 91 p 1

[Text] Prime Minister Chatchai Chunhawan joined top military officers for lunch yesterday after more than a month of strained relations sparked by the mobile radio truck conflict.

Army Chief Suchinda Khraprayun and Navy Chief Praphat Kritsanachan, however, did not attend the lunch hosted by Supreme Commander Gen Sunthon Khongsomphong because they were tied up with official duties.

Gen Suchinda, who had left to visit border troops, and Adm Praphat sent representatives to attend the lunch, however.

The function was held at the Supreme Command headquarters after the top military brass attended a National Security Council meeting chaired by Gen Chatchai.

Armed Forces Spokesman Lt-Gen [Lieutenant General] Narudon Detpradiyut said the invitation for the Premier to attend the lunch served to show that the military and the Prime Minister were not in conflict.

"Many people believe that the Prime Minister and the military have problems with each other despite the fact that there have not been any problems between us at all," Lt-Gen Narudon said.

He said Gen Sunthon wanted to demonstrate this to the public, and more invitations for the Premier to join the top brass for other meals could be expected.

At yesterday's lunch were Air Force Commander-in-Chief Kaset Rotchananin and senior commanders under the immediate command of the Armed Forces commanders-in-chief.

Top military officers stopped joining Gen Chatchai for the weekly breakfast at his Soi Ratchakhru residence after the Premier retained Pol Capt [Police Captain] Chaloem Yubamrung in his Cabinet lineup in a Cabinet reshuffle.

The military officers had demanded that Gen Chatchai remove the Muanchon Party leader, then Prime Minister's Office Minister, after the politician engaged in a bitter conflict with Gen Sunthon over the military seizure of a radio truck.

Asked by reporters if the lunch invitation was aimed at smoothing the strained relations between the military and the Prime Minister, Lt-Gen Narudon said there has been no tension between them.

Article Views Prospects of New Government

BK0401072791 Bangkok BANGKOK POST in English 4 Jan 91 p 4

[Editorial: "Chatchai II Must Live Up To Pledges"]

[Text] When Prime Minister Chatchai Chunhawan delivers his new administration's policy statement to Parliament next week, he is expected to touch upon a wide range of subjects encompassing the country's political, economic and social spheres. Members of the new coalition government have reportedly invested a great deal of time and energy in drafting the policy blueprint. Of the long list of policy pledges, nothing seems to be as

pressing and crucial as the prime minister's professed goal to stamp out corruption. Indeed the political lifespan of the Chatchai II government will very much depend on the success or failure of its attempt to eradicate official wrongdoing.

Whether the prime minister likes it or not, the image of his previous coalition had become seriously flawed by the widespread public perception of proliferating corruption in government circles. Although there was little hard-and-fast evidence, talk was rife in various sectors of the local business community over how it had become more costly to secure government deals or procurement contracts due to the higher payoffs that were required. One classic case in point was a surprise decision late last year by the giant industrial conglomerate Siam Cement Group to sell off three of its affiliated firms that were engaged in the marketing of computer and telecommunications equipment.

Siam Cement's official explanation at the time was that it decided to offload the three units as part of a new corporate strategy to consolidate the group's overall operations and to concentrate more on manufacturing. There could well be some basis to this reasoning in light of the uncertain economic environment brought about by higher oil prices and increased interest rates as a result of the Persian Gulf crisis.

But according to one persistent line that has been echoed in local industry circles, another important reason which prompted the sell-off was Siam Cement's aversion to having to compete for government-related telecommunications contracts. Of course, none of the senior Siam Cement executives would openly say so lest it offend the political powers concerned. It is fair to say, though, that this bluest of Thailand's bluechip companies which prides itself on being a model corporate citizen would opt to stay clear of any shady business practice, and its decision to sell off the three computer and telecom-related units might have been exactly because of that.

There is little dispute that the country has made large strides in economic achievement and political development since the current leadership took office more than two years ago. Against a more liberalised atmosphere and greater freedom of expression, Gen Chatchai can also rightfully claim credit for strengthening the roots of Thai democracy. But the present kind of democracy that is riddled with corruption in the electoral system and irregularities in government circles is hardly something that the prime minister or the public at large can be proud of. It is this very problem which has eroded the public's faith, distanced the influential military establishment from the civilian leadership, and forced the prime minister to start again with the new, hastily-assembled coalition.

If Gen Chatchai really intends to go down in Thai political history as the first elected prime minister to complete his full four-year term as many believe, his paramount task will be to instill responsible and ethical governance throughout the remainder of his term. Pledges to stamp out corruption must be backed by concrete action because mere lip service no longer suffices. The new coalition is coming under sharper public scrutiny. Unless it manages to depart from the corrupt image that plagued its predecessor, the chances are that it may not last long.

New Chatchai Government Policy Statement Viewed

BK0501041191 Bangkok BANGKOK POST in English 5 Jan 91 p 4

[By Banyat Thatsaniyawet]

[Text] After facing fierce criticism during the latter part of his first administration mainly on corruption allegations and the preoccupation of personal and partisan vested interests among certain Cabinet members, Prime Minister Chatchai Chunhawan is now taking action.

Following the crisis of faith in his administration, the Prime Minister has finalised his Chatchai II policy statement to be formally presented in a joint sitting of MPs and senators on Wednesday January 9.

General Chatchai will raise the banner to "adhere to honesty and loyalty" to the people and the benefit of the country "without considering the benefits and interests of any group or political party."

Chatchai II will also promise to take serious action to "eradicate and prevent" corruption from occurring.

Regarding the general concern about vote-buying, which has raised doubts as to whether the current form of democracy amounted to a true mandate of the people, Gen Chatchai is expected to state that his Government will act in a concrete and systematic manner to ensure that elections—at all levels—are free and fair.

One thing that can be interpreted from the draft of the new Government's policy statement is that it is prepared to amend the Constitution to make it the duty of Thais to use their right to vote.

The prime minister is expected to adopt measures to boost the people's "understanding and adherence to democratic principles by protecting and expanding their rights according to the law and create awareness of their duties and responsibilities."

Another key issue to be announced is the effort to further decentralise authority to the provinces, especially to the so-called tambon council, as well as develop outdated laws which have become obstacles in the development of society and the economy.

In summary, Prime Minister Chatchai has taken into account the pain and concerns of the public over the past two years and has written them into his new policy statement. The question is whether he can effectively implement what he will be announcing next Wednesday.

Despite a considerable change in faces in the new Cabinet lineup, political analysts note that key members of the Chatchai coalition remain. These analysts question whether the crucial figures in the administration are prepared to change and implement crucial aspects of the Government's policy.

One analyst asked that if for the past two years these figures have not thought about being honest with the people or even considered what is in the best interests of the country, is it possible that they will change within the remaining 18 months in office?

Another analyst asked what is it that has made these people realise their mistakes so that they are now prepared to repent, or even hope to change the election law to ensure that free and fair elections will no longer be a vague dream?

Analysts note that a close examination of many ministers in the current Government will indicate that each spent millions of baht in the previous election to obtain a place in the current House. This worrisome increase in vote-buying was evident even in the recent provincial and municipal elections held recently, they noted.

Unless there is deep political conciousness, it is therefore difficult to imagine that certain members of the administration are prepared to put aside their personal and partisan interests and work in the remaining months in office to put right what has been wrong in the past.

Political analysts believe that if the Government is genuinely concerned and sincere in tackling the current problem of vote-buying, the Government is already in a position to do so be ordering [as published] stringent implementation of the law through the agencies of the Interior Ministry and ensure tough penalties are meted out to law through the agencies of the Interior Ministry and ensure tough penalties are meted out to law enforcers who do not comply with the order.

Although this measure may not eradicate vote-buying altogether, it should help curb the plague at a certain level.

The analysts also expressed caution over potential adverse repercussions of other aspects of the Chatchai II's policy.

The Government is expected to announce its intention to allow the private sector help solve economic problems in rural areas by emphasising the distribution of income. While this looks good on paper, the analysts noted that the dynamics of Thai rural life are a complicated and delicate matter.

A policy of encouraging the private sector to play an increasing role in economic rural development could further affect traditional lifestyle. The analysts note that the country's rapid economic boom of the past several years has already left an indelible mark in certain areas of rural Thailand.

The mad rush by farmers in the country's regional centres such as the East and the North, the grab for land to build condominiums and construction of large of golf courses are cited as examples. Farmers who became the rural nouveau riche during the early land boom soon found themselves penniless and back on their own property—but this time as employees rather than owners.

The material benefits of the land rush in rural areas in reality benefitted a few but has changed the lives of thousands, analysts note.

Another area of concern is the Government's policy concerning agriculture which states that the Government will expedite the implementation of land reform and improve the system of giving land rights to residents living in deteriorated forest areas.

The policy has been interpreted as being that residents who are currently occupying land in these areas wil be given title deeds to the land. Analysts note that certain Chart Thai MPs, in particular Piya Angkinan of Phetburi, have consistently called for the issuance of land title deeds to farmers in deteriorated forest areas.

But the widespread issuance of these documents has not occurred because of a fear that such a move would only fuel increased forest encroachment, and officials seemed not prepared to do so until effective measures were in place to prevent forest destruction.

Analysts therefore caution this particular aspct of the Chatchai II policy and warn that it is a double-edged sword which could in the end allow financiers the opportunity to go on a land buying spree once villagers have obtained title deeds.

With considerable doubt and questions which remain to be answered, next Wednesday's policy announncement and subsequent debate is crucial even though there will be no vote taken in the joint session.

Analysts said that one aspect worth noting on Wednesday will be the senators' reaction to the policy announcement, a reaction which will help gauge the Upper House's true feelings towards the Chatchai-led Government. During the period of tension between Gen Chatchai and the military, there had been repeated reports that military senators were huddled with then Opposition parties to ponder cooperation in opening an extra session of Parliament to grill the Government over corruption allegation.

Wednesday's session should also be equally interesting as it will be the first time Solidarity and Prachakon Thai will put on their coalition partner hats while the Democrats, Social Action and Muanchon will be firing questions from the Opposition benches.

Interview With Army Commander Suchinda

*BK0401131591 Bangkok THAI RAT in Thai
2 Jan 91 p 3*

[Interview with Army Commander General Suchinda Khraprayun by the THAI RAT news staff; date and place not given]

[Text] [THAI RAT] What is your development plan for the Army in 1991?

[Suchinda] The development plan for the Army in 1991 will not be much different from that of 1990. The Army has a definite development plan for military equipment and weapons procurement for the next five to 10 years. We have yet to fully complete our plans. So, we will continue working on those projects in the new year. During the past 10 to 20 years, we have never been granted a sufficient budget as we requested. For example, when we asked for 100 baht, we got only 30 to 40 baht. As a result, we have emphasized procuring military equipment and weapons to fulfill requirements. In addition, we also have to buy more advanced weapons, but not weapons that are different from what we are using now. Nowadays, technology is more advanced. For example, the old 105 artillery pieces used to have an effective range of nine to 10 kilometers. The new ones, however, have an effective range of up to 17 to 18 kilometers. So, if we have enough money in the budget, we will buy new ones. Otherwise, we will try to improve the efficiency of the existing ones.

In fact, the Army has been trying to reduce the number of its personnel by emphasizing an increase in the number of reservists and improving their effectiveness through training. Although the prospects of a war are distant, we have to realize the fact that war may occur easily and unexpectedly, especially when our personnel are unprepared. Under such conditions, it would be easy for others to launch an aggression. Such an unexpected event happened between Iraq and Kuwait. So, all depends on our readiness. We have to be ready, both our personnel and weapons, regardless of how the situation looks.

[THAI RAT] How is our readiness toward our neighboring countries or the countries that are threats to Thailand?

[Suchinda] The capability of our army personnel is not inferior to that of our neighboring countries. We have the capability to defend our independence and sovereignty. However, we will not be strong enough to handle incidents where the other side is supported by major powers. But we think our capability is superior when compared to others.

[THAI RAT] Some people have noted that we have bought weapons from several countries and this may result in maintenance problems in the long term. Will we buy weapons from only one country or from many sources in 1991?

[Suchinda] Usually we buy weapons mainly from the United States because we have received assistance from that country. Recently, we have bought from other countries weapons which were unavailable in the United States or which the United States had not agreed to sell us. Buying weapons from one country has both good and bad points. If we just depend on one country, we could be pressured. Friendship is also uncertain. We want to have other sources, especially from nearby countries if they can supply us.

[THAI RAT] How will our personnel fare in 1991?

[Suchinda] The Army has focused attention on the welfare of the low-ranking soldiers because their living conditions have become more difficult. Soldiers' salaries are limited while people working in the private sector can get higher salaries, especially during times of industrial expansion. As a result, the number of people who want to become soldiers decreases. It is necessary for us to find more means, such as subsidies, to help our personnel. We have now taken on several programs in that regard, such as finding commodities at low prices to sell to low-ranking soldiers. In fact, the government should have sympathy for us in this matter. In the United States, some necessities sold to soldiers on military bases are even 50 percent cheaper than those on the general market because of tax exemptions. This is a kind of assistance. The soldiers have the same salaries as other government officials, but they have to leave their families so they can be based in their units. Several countries have such schemes to sell commodities to their personnel at cheap prices. But we have to amend various regulations when we want to undertake any such project. However, we are trying to carry out such plans. In addition, we have projects to provide housing and long-term loans for our personnel. We are even trying to expand our recreation club for officers into a recreation club for both officers and non-commissioned officers. This will be a New Year's gift to the personnel.

[THAI RAT] What are the military's views on the country's current economic, social, and political situation and the danger of insurgency? And, regarding the trend in 1991?

[Suchinda] The military has tried not to get involved in politics. However, it has the duty to support government stability. We follow the political situation from a distance and try not to get involved because Thai politics are developing in the right direction. It is already a positive start that we have a member of parliament as the prime minister after so many years. Although there has been a lot of political confusion and difficulty, everybody wants the present democratic system to progress. We only hope that politicians have the conscience and sense of responsibility to help promote democracy. Whether the present system fails or succeeds depends solely on the politicians themselves.

The insurgency situation will calm down gradually because the armed forces of the Communist Party of

Thailand and other movements have gradually reduced in strength. In particular, the danger from the Communists, which has effected our country's economy for many years, has dropped significantly because the countries that have communist systems have failed and have changed over to democratic systems. The Western countries have to provide billions of dollars in aid to the Soviet Union. I think that there is no way for the Communists to take over administrative power. The communist threat is minimal. However, people who have faith in that system still exist. So, I don't know what kind of action they might take.

[THAI RAT] What is of concern to the military in its capacity of looking after national security.

[Suchinda] The military is concerned with the government's stability. Government stability is necessary for there to be progress in other fields. The economy will not be good if the government lacks stability.

[THAI RAT] In the eyes of the military, is the Chatchai II government stable or unstable?

[Suchinda] As government officials, we cannot comment on this. However, it is a universal rule that a coalition government composed of too many parties cannot be stable. The more partners in the government, the more unstable it will be. A government that is comprised of two to three parties will be more stable than a government of many parties.

[THAI RAT] You have said that whether the democratic system fails or succeeds depends on the politicians themselves. What is the military's view of the politicians and the current political situation?

[Suchinda] We share the general perception that our democratic system is still incomplete. As long as politicians have to shell out great amounts of money to get elected, there can never be political progress. When one buys one's way into the House of Representatives, one will be inclined to want to recoup one's investment. In elections, politicians buy votes from the people. Once they are in the House, they themselves are bought.

[THAI RAT] What will be the military's role or stand toward the country's politics, society, and economy in 1991?

[Suchinda] We have never changed our stand. We have a firm stand. Otherwise, we will fall apart. Have you seen my stance? Does it look smart? However, we will not tell you what our stand is. It depends on the situation. We try to keep a distance. We stand on our own. If others do not interfere with us, we will not interfere with others. However, our major duties are to support the government and to help the people enjoy prosperity.

[THAI RAT] Will the intimacy between the leaders of the government and the military, such as sharing meals or playing golf together, be revived?

[Suchinda] We say hello to each other all the time. We are always close to each other, just like brothers. The prime minister graduated from the Chunlachomklao Military Academy and his father was an Army commander in chief. The prime minister is a soldier by blood, more of a soldier than I am because none of my ancestors were soldiers. The prime minister said he was born in a military unit, and so he understood soldiers' thoughts and feelings.

[THAI RAT] What message will you give to the soldiers in the new year?

[Suchinda] I would like to extend my best regards to all soldiers and would like to tell them that the commanders are concerned with all the soldiers, especially those at remote and border areas because they have the duty to defend the country and have more difficult living conditions than soldiers in other areas. All soldiers have discipline and have made sacrifices to serve the country. They are willing to sacrifice everything including their lives for national security. I would like all soldiers to uphold this correctness. All commanders in the Army are ready to give all their support, including moral support, to all personnel in performing their duties correctly and fulfilling their assigned tasks.

Effects of U.S. Farm Act on Rice Market Viewed

BK0701094691 Bangkok Domestic Service in English 0000 GMT 7 Jan 91

[Text] The Thai rice market would not be adversely affected by the failure in GATT talks should the United States resort to Farm Act measures to subsidize its farmers again.

President of the Millers Association of Thailand Niphon Wongtrangan made the comment to reporters recently, citing the United States' past five years performances in rice export after the implementation of the Farm Act as having no direct repercussion on Thailand, which has enjoyed ever larger rice market in the world.

New markets have been found for Thai rice in places never thought of before. Long grain rice from the United States also differs from Thai rice. Rice from Myanmar [Burma], China, and Vietnam—Thailand's competitors—have not been subsidized. Thailand stands ready to cooperate with these countries in data gathering and marketing strategies.

Meanwhile, the permanent secretary for the Ministry of Agriculture and Cooperative predicted that Thai agricultural export for the year 1991 will be on a downward trend, especially rice and tapioca.

The Ministry of Commerce has targeted only 3.8 million tonnes as rice export for 1991—somewhat less than the figure of 1990. This also applies to tapioca with 8.6 million tonnes targeted for export—1.5 percent less than last year. The country's import of soybean meal will also

go down as farmers turn to chicken raising requiring less animal feed than pig raising.

As for para rubber, Thailand stands a chance of exporting more than last year due to the Gulf crisis and the high prices of oil making synthetic rubber unfeasible.

Joint Economic Committee Examined

BK0401080791 Bangkok THE NATION in English 4 Jan 91 p B2

[By Duangkomon Chotana]

[Text] The hallmark of successful economies is a good relationship between industry and government. Countries which seek to evolve consensus between bureaucrats and profit-oriented businessmen establish appropriate working groups, but in Thailand this body, known as the Joint Public/Private Sector Consultative Committee (JPPCC), seems to have lost its sting and its desired objective.

When it was initiated a decade ago, the JPPCC was hailed as a common platform for policy-makers, bureaucrats and leading business people. The forum, to an extent, lessened the inherent suspicion of civil servants towards profit-minded industrialists and ameliorated the tendency of the latter to underestimate the value of state regulations.

Chaired by the prime minister, the members of the JPPCC include the main economic ministers, the governor of the Bank of Thailand and the presidents the Federation of Thai Industries, Thai Bankers' Association and the Board of Trade.

For eight years, successive governments under former Prime Minister Gen Prem Tinsulanon actively boosted the committee. It was administered by a secretariat controlled by the National Economic and Social Development Board (NESDB). Under Prem, the JPPCC initiated speedier changes in government regulations through the process of consultation between the public and private sectors.

On the other hand, this "shadow cabinet" was effective in putting across the views of the private sector to the bureaucratic echelons. But in the past two years, under the Chatchai government, the JPPCC has lost much of its battles for reform to unyielding Thai bureaucracy and outdated regulations. The current policy advisers to the committee are centred on Ban Phitsanulok and they seem to have little clear direction on how to work within the system or of the committee's regular functions.

As such, there has been an undermining of the JPPCC's role and this has also affected its "subsidiaries" involved in agriculture and provincial bodies. The economic boom of the past three years has further pushed these organizations into a position of relative insignificance.

Only two JPPCC meetings were organized last year. Ban Phitsanulok, in fact has now become the accepted alternative personal forum for business people to get their voices heard by the prime minister.

It would be unfair to blame the rust setting in on external factors only. Internally, the JPPCC's members, including the private sector, can be accused of lacking in "spirit" to push the organization forward.

Chakamon Phasukawanit, director of the JPPCC Division at the NESDB, who is probably the person most initimate with the organization's working, says the time has come to decide what is to become of the JPPCC and how it should continue to have an input into the country's future economic progress.

Much talk has taken place to resolve the country's infrastructure problems and the restrictiveness of the tariff and tax regimes. But it wasn't until last year that the private sector under the Federation of Thai Industries (FTI), the Thai Bankers' Association and the Board of Trade created a permanent joint secretariat to coordinate their proposals.

There has been no substantial progress in this regard by the JPPCC because the concerned division does not have enough manpower.

"I'm trying to make the private sector submit proposals to the JPPCC. We (the NESDB) will no longer do the task," Chakamon says.

On the other hand, the private sector is less concerned about submitting proposals for consideration by the JPPCC, purportedly because many of the problems they have encountered in the past are supposed to be in the process of being resolved.

Sadly, however, many of these problems still remain as obstacles to the country's development, and little follow-up work is being done to ensure that they are corrected.

Pharon Itsarasena, a former president of the FTI, says, "I will be disappointed if the JPPCC is dissolved. I have been with it since its inception. The organization is necessary and I don't want to see it terminated."

The existing setup may no longer function, but the philosophy behind it will always remain, says Chakamon. The JPPCC has had numerous achievements, he says. And, "It is traditional that cooperation between the private and public sectors is the correct procedure," he adds.

In March 1990, the government approved; the setting up of JPPCC secretariats in 30 provinces in a bid to expand the organization's network nationwide and to encourage cooperation with the next generation of provincial businessmen. Many of the units received administrative financial assistance and training support from the US Agency for International Development.

It is hoped that this generation of provincial businessmen will operate under more liberalized conditions and free of pressure from local businessmen with a clout working separately or together.

Pharon prefers the JPPCC in its present form but would like to see the organization becoming more active. The three private sector bodies—the Federation of Thai Industries, the Thai Bankers' Association and the Board of Trade—as principle members of the committee, would also have to make appropriate adjustments to their own input in order to improve the committee's efficiency.

Chakamon is looking to establish the JPPCC as a permanent body and not as a committee. It should become more of a political body and act as a sounding board for the government, he feels.

Meanwhile, the NESDB plans to organize a special seminar in the middle of this year to set the future direction of the JPPCC.

Vietnam

Ties With Japan Said Strengthened in 1990

BK0801125091 Hanoi International Service in English 1000 GMT 8 Jan 91

[Text] In 1990 both Vietnam and Japan faced upheavals taking place throughout the world. This forced both countries to change their bilateral relations, and the ties between the two countries in the past 10 years no longer conformed to their interests.

Vietnam is trying to normalize its relations with many big countries. Meanwhile, Japan, an economic superpower, is making strategic choices and has an opportunity to enhance its political role in regional and international issues. Because of this situation, important steps were taken by both Japan and Vietnam to strengthen their political and diplomatic ties.

Japan took the initiative of inviting the vice-chairman of the Vietnamese Council of Ministers to attend the crowning ceremony of the Japanese emperor. At the same time, the Japanese Foreign Ministry has on many occasions invited the Vietnamese foreign minister to visit Japan, and the latter paid a visit from 26 to 27 October last year. This visit by the Vietnamese foreign minister took place during a time when the Japanese parliament was in session discussing the bill [on] UN peaceful cooperation to amend the Constitution for the Japanese Self-Defense Forces to be sent abroad to take part in the UN-peacekeeping forces.

All Japanese leaders, including the prime minister, the foreign minister, and other ministers and parliamentarians were busy with the debate. However, the Japanese prime minister, other high-ranking officials, and political figures used their time to receive and have talks with the Vietnamese guest.

On October 24 Japanese Emperor Akihito and the empress gave a 40-minute reception for the Vietnamese foreign minister at Akasaka palace. This reception, the likes of which have rarely been given to other foreign ministers, showed Japan's concern over and respect for the visit. The Vietnamese foreign minister was also received by many Japanese businessmen. It seemed interviews took place on a wide range of issues from international to regional and bilateral ones.

Economic ties were also strengthened by the two countries in 1990. Japanese business circles took interest in renovation in Vietnam and the possibility of normalizing relations between Vietnam and China and between Vietnam and the United States. They first desired an improvement in the Vietnam-Japan relationship for the interest of both countries. They analyzed that the time has come to remove insistent obstacles to entering the Vietnamese market which though not the most important is a very attractive one. Most Japanese businesses and people wished to develop cooperation with Vietnam for an economically resilient Southeast Asia.

Concrete steps were taken last year in economic cooperation between Vietnam and Japan, paving the way for big private projects and promoting trade relations, oil and gas cooperation between the two countries, and Japan investments and humanitarian aid to Vietnam.

Trade turnover between Vietnam and Japan is increasing. Japan's volume of imports from Vietnam last year increased by 60 percent over the previous years. Though there remain problems concerning relations between the two countries which must be resolved, developments in their relations last year were of practical significance. This makes people optimistic about the fine prospect in Vietnamese-Japanese relations.

Japanese Prime Minister Kaifu was right when he stated that the economic ties between Vietnam and Japan were further developed. Meanwhile, Japanese Foreign Minister Nakayama highly appreciated the visit to Japan by his Vietnamese counterpart, considering it of historic significance, ending the period of confrontation and turning the relations between the two countries into cooperative ones for the interests of peace and development.

Improved Ties With PRC Reviewed, Encouraged

BK0401125491 Hanoi International Service in English 1000 GMT 4 Jan 91

["Station article"]

[Text] In 1990 Vietnam made much effort to restore relations with China. The Sino-Vietnamese relations did improve considerably over the past years but much is left to be done. Today let us take a look at major developments concerning Sino-Vietnamese relations in 1990.

China is Vietnam's big neighboring country sharing land border and part of the Eastern Sea. After 10 years of

lacking normal relations, the bond between the two countries has been gradually improving in the past two years. The year 1990 saw significant development in the process of restoring Sino-Vietnamese relations including high-level contacts between Chinese and Vietnamese officials. These meetings took place immediately after the announcement by the U.S. state secretary on a change of U.S. policy on Cambodia.

Over the past years Vietnam persisted in its stand for dialogues with China to gradually solve the remaining problems between the two countries. Vietnam took the initiative in putting forward issues that are easily solved. As for hard nuts that take much time to crack, joint efforts have been made to gradually break them open. As a result, many steps have been taken toward normalizing and improving Sino-Vietnamese ties.

The situation along the land and sea border lines between Vietnam and China was reportedly calm in 1990. This was demonstrated by the continued flow of people and all kinds of commodities crossing the northern border, bursting activities noted by many correspondents who visited the border area. The influx of goods came from China as a result of trade between the peoples of Vietnam and China across the border. A Kunming-based correspondent of the CHRISTIAN SCIENCE MONITOR said: The value of goods exchanged across the Sino-Vietnamese border might exceeded $6 million, a threefold increase over 1986.

Last year, for the first time in a decade, China and Vietnam observed, at an appropriate level, the 40th anniversary of the founding of their diplomatic relations.

In particular, during the year Chinese officials on several occasions voiced their wish for normalizing relations with Vietnam. The wish was expressed at the reception for the Vietnamese ambassador to China during the stay in China of Vietnamese General Vo Nguyen Giap, who came to Beijing to attend the Asian Games as guest of the Chinese Government, and during the visit to Indonesia, Malaysia, the Philippines, Laos, and other Southeast Asian countries by Chinese Premier Li Peng. The Chinese premier said that normalizing Sino-Vietnamese relations will respond to the fundamental and long-term interests of the two peoples. In the same way, Chinese Foreign Minister Qian Qichen has more than once maintained that normal Sino-Vietnamese ties would be beneficial to both.

It is interesting to note the improvement of Vietnam relations with China along with the United States, Western Europe, and Southeast Asian nations. As the relations between the two countries began to warm up, the hostile atmosphere is almost gone. However, there remained a number of differences and obstacles to be overcome, most notably the disagreement on how best to solve the internal affairs of Cambodia. China kept saying that problem concerning Sino-Vietnamese relations depends on the tempo of the process of solving the Cambodian conflict. As this obstacle takes time to resolve, Vietnam advocates the policy of seeking agreement while temporarily postponing disagreements to persistently restore relations between the two countries. Thanks to this goodwill, the relations between the two countries have begun to improve.

Sino-Vietnamse friendship is a valuable asset that has been built with much effort by many generations of Chinese and Vietnamese. Restoring and consolidating these relations respond to the aspiration of the two peoples. Given this great significance, Vietnam believes that the year 1991 will be witness to more positive changes in Sino-Vietnamese relations.

Nguyen Van Linh Attends Sapper Force Anniversary

BK0701113791 Hanoi Domestic Service in Vietnamese 0500 GMT 7 Jan 91

[Text] On 6 January the Ho Chi Minh City club of former resistance war fighters held a get-together to mark the 45th founding anniversary of the Saigon-Cholon-Gia Dinh special sapper force. Attending the function were Nguyen Van Linh, general secretary of the Communist Party of Vietnam [CPV], and Nguyen Huu Tho, chairman of the Vietnam Fatherland Front Central Committee.

Major General Tran Hai Phuc highly appraised the special sapper force's combatants for their efforts in upholding the spirit of revolutionary heroism. He asserted that contributions made by the special sapper force to the cause of national liberation will be remembered forever.

Addressing the get-together, Comrade Nguyen Van Linh, in his capacity as a member of the former resistance war fighters' club, welcomed the convening of this traditional meeting. He proposed that the Ministry of Labor, War Invalids, and Social Welfare pay close attention to implementing the policy on assisting families of the sapper combatants because they worked under pressure in secret missions.

The general secretary said that in the present stage all combatants must heighten vigilance against various schemes of the enemy, participate in economic development programs, and strive to overcome sluggishness. He urged veteran cadres and retirees to study and contribute ideas to the draft documents of the Seventh CPV Congress.

Interior Minister Discusses Thailand Visit

BK0801030991 Bangkok THE NATION in English 8 Jan 91 p A4

[By Kawi Chongkitthawon]

[Text] In Vietnam, Interior Minister Mai Chi Tho is seen as a powerful man, but he is also a gentle person.

I asked him for an interview after his recent visit to Thailand—the first non-socialist country he has ever paid a visit to.

To people in Thailand, it was a surprise visit. Tho was in Bangkok to attend a defence exhibition. During his visit he met and held talks with senior Thai officials including Deputy Prime Minister and Interior Minister Praman Adireksan. So I was interested to find out his impressions of Thailand and its environment.

Before the interview I was warned by authorities not to expect much because he seldom talks to the press. Very much to my surprise, he agreed to the interview a few days later.

"As you know, I have not talked to journalists for a long time, much less so now than when I was the mayor of Ho Chi Minh City," Tho said at the outset of the interview, through an interpreter.

Dressed in a black jacket and fatigue-coloured trousers, he walked into the Interior Ministry reception room unaccompanied by any security guards.

Tho very much resembles his brother, Le Duc Tho, who died recently. His unusual height for a Vietnamese gives him a powerful physical presence. He looked calm and well-composed.

During the hour-long interview, he answered all the questions, in his own way, and punctuated his talk with smiles and hand gestures. Toward the end, he lit cigarettes and smoked non-stop.

At 69, he still looks robust. Tho's husky voice echoes the long experience of national struggle. As if to remind the younger generation, Tho reiterated time and again the Vietnamese victories against foreigners trying to change the course of Vietnam's history.

He visibly enjoyed talking about the Vietnamese people's determination and long struggle. "The more difficult the situation, the more determined the Vietnamese become," he said.

Tho could recall incidents in their entirety of Vietnam's modern struggle against foreign powers. And Tho certainly believes that the Vietnamese will overcome their current economic hardship.

Born in 1922 in Ha Nam Ninh province, south of Hanoi, to a middle-class peasant family, Tho joined the Vietnamese Communist Party when he was 18. Before that he was active in the youth organization of the Nam Dinh secondary school fighting against the expansion of imperialism. His early activities have had a great impact on his later life, when he took up arms and worked against the imperialists in the North, later moving down to the South.

When asked about his impressions of Thailand, he noted it was "well-developed". "It seems that you have more cars than the number of streets, he said, and added that Thailand is very fortunate—as if the country possessed "God-sent gifts." He pointed out that throughout its history, Thailand has been able to escape foreign colonization.

Tho obviously wished that Vietnam had been so fortunate, and not to have had to live through 50 years of war as a result. "What would Vietnam be like today if we were as lucky as Thailand?," Tho wondered.

During his visit, he said he was happy to see that Thailand and Vietnamese shared many similarities, including the people and food. "Thai food is like the food in the south (of Vietnam)." He admired the openness of Thai society.

As Vietnam's interior minister since 1987, he has been responsible for all the aspects of security around Vietnam, including police work and refugee affairs. Doubtless, Tho is a very security-oriented leader. That helps explain why during the interview, he stressed one security issue existing between Thailand and Vietnam—Thailand's supposed support for Vietnamese living in exile.

Thailand has denied this allegation and said it has a policy of non-interference in other country's internal affairs. Tho was confident that if both sides show goodwill, the issue could be solved.

Tho, also a French speaker, is best known for the administrative skill he demonstrated as the first mayor of Ho Chi Minh City (formerly Saigon) after the reunification of Vietnam. Before his 10-year term, from 1976 to 1985, he served as chief of the police force in Ho Chi Minh City.

For 10 years, Tho managed to maintain a market-oriented economy in the southern city. To some extent, the current economic reform in Vietnam has its origin in the South. Vietnamese leader Nguyen Van Linh was working as Communist Party chief when Tho was mayor of Ho Chi Minh City. Both of them were credited for economic openess in earlier years.

However, in the foreign media, Tho has been portrayed as a conservative who wanted to see a slower pace of economic reform without political liberalization. But in the interview, he advocated faster reforms because. "Vietnam does not have any choice."

At best, he did not appear as hardline as outsiders have portrayed him. His main concern was simply to raise the standard of living of the Vietnamese people. As far as his political views is concerned, he still adheres to Marxist-Leninist thinking.

"We have to make our country better to make our people want to stay and build up the nation together," he said, referring to the government's and party's effort to persuade potential refugees to stay.

Before the end of the interview, he responded to a question about Bui Tin, a deputy editor of the party daily

NHAN DAN and a senior party member who has criticized the Vietnamese Communist Party.

Tho minced no words, as if he wanted to send a strong message to Bui Tin. He condemned the editor's actions as untrustworthy of a party member. Tho stressed that Bui Tin became a member of the party of his own free-will like any other member. He said the editor no longer had the trust of the party.

After the interview, he repeated his thanks to authorities concerned who provided security for him during his informal visit to Thailand. He appreciated that kind of hospitality, it seemed. After the interview, Tho left the reception hall in a black limousine unaccompanied by any car or security officials.

Various Groups Express Views on Party Documents

Public Groups

BK0501065791

[Editorial Report] Hanoi Domestic Service in Vietnamese at 1000 GMT on 4 January carries as the first item of its press review program a four-minute report saying that newspapers published in Hanoi on the same day continue to publish public views on the draft documents of the seventh party congress:

NHAN DAN daily carries on page three the views of Professor Dao Hong Nam, stating that "socialism is facing a crisis. Its weaknesses are being exposed. Socialism, however, continues to be the hope of mankind. Increasingly internationalized socialist production has created material premises for socialism" and that "it it is impossible to build socialism in accordance with a defective old model but it is also quite dangerous if we use the socialist crisis as a pretext to adopt a wait-and-see attitude, claiming that we need time to think carefully about the socialist path even though there is a renovation of socialism. The draft platform has underscored a determination to build socialism and to persistently renovate socialism. The determination to build socialism should be linked with measures to tide ourselves over the socioeconomic crisis."

LAO DONG weekly, in this week's issue, carries the views of Nguyen Tung Lam on the party strategy for socioeconomic construction. According to the author, "the most urgent issue is also one that decides the success or failure of the strategy. It is necessary to emphasize the need to intensify state management by means of law. We have long asserted the need to carry out state management by means of law and to live and work according to the Constitution and the law. It can be said unconcealingly that these ideas have long been an empty slogan or have existed only on paper. This state of affairs is precisely the reason for poor economic development. Violations against the law and crimes continue to rage unabated, thus driving society into never-ending turmoil. There is no need to argue about this issue because it is known to everyone."

Party Organizations

BK0501142591

[Editorial Report] Hanoi Domestic Service in Vietnamese at 1430 GMT on 4 January carries a one-minute report saying that the Central Committee of the Vietnam War Veterans Association has arranged for its cadres, workers, and personnel to study and contribute views to various draft documents of the seventh party congress. According to the report, many practical views have been voiced in contribution to every chapter and every part of the two documents, especially those "concerning national defense and security and the development of the People's Armed Forces under the All-People National Defense System. Many views have also been expounded in the course of the discussion on the economic structure and various major policies and measures for the economic strategy."

In another one-minute report, the same cast quotes Quoc Bien of the Thanh Hoa provincial radio station as saying that "in December 1990, the party committee and various grass-roots party organizations in Tho Xuan District of Thanh Hoa arranged for cadres, party members, and the people to study and contribute views to the two draft documents of the seventh party congress." According to the report, the district has set up a steering committee and has held conferences of key cadres from district to grass-roots levels. The report concludes by saying that "to date, nearly 10,000 party members of various grass-roots party organizations in the district have discussed and contributed many interesting views to various draft documents of the party congress."

In a 1.5-minute item in its daily press review at 1000 GMT on 5 January, Hanoi Domestic Service in Vietnamese reports that today's NHAN DAN published an article entitled "More Than Ever Before, It Is Necessary for the Party To Have a Platform That Can Make the Country Prosperous and Powerful and the People Well-Off" by Nguyen Thanh Giang, who has a master's degree. After pointing out the actual economic, social, and political situation in the country and the world, the author stresses the need for the party to have a new platform, "a platform that can outline a practical, comprehensively considered, and logical program of action." The author continues: "Many people are right when they note that the draft platform is still encompassed with many contradictions, if it is called a platform for socialist construction during the transitional period." The author suggests that it be amended and submitted to the seventh party congress under the name "the platform of Communist Party of Vietnam in the new stage." Stressing the need to create favorable conditions for every laborer to have a job, the author says: "We must look squarely at the truth and admit that the unemployment in our country at present is far more serious than in Western countries."

In a one-minute item, the same cast quotes SAIGON GIAI PHONG as reporting that "at an expanded conference of the [Ho Chi Minh] city party organization Executive Committee to accelerate the discussion within the party organization of various draft documents of the seventh party congress and to solicit the people's views in contribution to these documents, the participants held that despite the heavy workload at the end of the year and the difficult socioeconomic situation, party organizations at various levels should overcome all obstacles to intensively direct the political drive to achieve good results."

Ho Chi Minh City Group

BK0701115991

[Editorial Report] Hanoi Domestic Service in Vietnamese at 1430 GMT on 6 January carries a 3-minute report saying that "more than 30 representatives of various special branches belonging to the Ho Chi Minh City-based Union of Scientific and Technical Associations have contributed views to the seventh party congress' draft documents."

According to the report, "the representatives unanimously agreed that the two documents had been meticulously compiled, thus reflecting the party's sense of responsibility toward the fate of the nation." Regarding the draft platform, the views maintained that "Chapter One should be used to point out the need to formulate the draft platform on socialist construction for the transitional period," that "the fourth of the six principles in Chapter Two should be restructured as follows: Highly develop the cultural traditions of our 4,000-year-old national history and make sure that the ideological values, ethics, and lifestyle of Ho Chi Minh assume a leading role in the spiritual life of the society."

Regarding the targets of the initial stage, "some views suggested that the phrase 'pattern the development of the commodity economy after socialist orientations' needs further clarification, and that "it is very difficult to complete the initial stage within 10-15 years because our country still remains very poor and underdeveloped," and "concrete targets should be set for each plan."

Regarding Chapter Three, the views suggested that "it is not advisable to let the state sector play a leading role over the other economic sectors or to allow the individual and private capitalist sectors to expand production and business operations in branches beneficial to national interests and the people's well-being." Some views maintained that under Chapter Five, the Communist Party of Vietnam is the leading body and a constituent part of the political system and constantly submits itself to control by the people. As such, the party must submit itself to a specific organ of control instead of control by the people, which is too vague.

The views also suggested that "for the sake of accuracy, the strategy of socioeconomic stabilization and development until the year 2000 should be rendered as the socioeconomic plan until the year 2000"; that "since Vietnam's economy is based on agriculture, concentrated efforts are needed to build a new countryside"; and that "steps must be taken to promote local economic development, as well as to define the economic strengths of each region."

Some views also maintained that "the average per capita income target of $400 by the year 2000 was not based on actual facts because to reach this objective, national income must effect an annual increase of 10 percent for 10 consecutive years."

Le Quang Dao Receives Outgoing Cambodian Envoy

BK0401104891 Hanoi Domestic Service in Vietnamese 1430 GMT 3 Jan 91

[Text] National Assembly Chairman Le Quang Dao on 3 January received Cambodian Ambassador to Vietnam Tep Hen who called on him to bid farewell at the end of his mission.

Chairman Le Quang Dao cordially talked to the Cambodian ambassador. Also present at the meeting were Nguyen Dinh Loc, deputy head of the office of the National Assembly and the Council of State.

Events Mark Anniversary of Cambodian National Day

Mass Meeting in Hoang Lien Son

BK0501152391 Hanoi VNA in English 1445 GMT 5 Jan 91

[Text] Hanoi VNA Jan. 5—A mass meeting was held in the northern border province of Hoang Lien Son yesterday in celebration of the 12th national day of the State of Cambodia (Jan. 7).

It was attended by Cambodian Ambassador Tep Hen, representatives of the External Relations Commission of the party Central Committee, the Vietnam-Cambodia Friendship Association and the provincial leadership.

In his address, Huu Thanh, chairman of the People's Comitttee of the province, pointed out the significance of the 7 January revolution and the achievements recorded by the Cambodian people over the past years. He reiterated Vietnam's constant support for the correct stance of Phnom Penh toward a political solution to the Cambodian question.

For his part, Ambassador Tep Hen praised the great services of the Vietnamese people and combatants to the rebirth of Cambodia, and reaffirmed the Cambodian people's pledge to cultivate the Cambodia-Vietnam-Laos relations.

Top Leaders Greet Occasion

BK0601110691 Hanoi International Service in English 1000 GMT 6 Jan 91

[Text] Vietnamese party and state leaders have sent their message of greetings to their Cambodian counterparts on the occasion of the 12th national day of the State of Cambodia, January 7.

The message noted that over the past 12 years, under the correct leadership of the Kampuchean People's Revolutionary Party, led by General Secretary Heng Samrin, the Cambodian people have overcome many difficulties and trials and won many great and glorious achievements in many fields. It said: The Vietnamese people highly value and firmly support the correct and goodwilled stand of the Cambodian people in a search for a political solution to the Cambodian problem based on respect for Cambodian independence, sovereignty, and self-determination and in conformity with the UN Charter in preventing a recurrence of the genocidal regime in Cambodia.

On this occasion, Foreign Minister Nguyen Co Thach also sent his congratulations to his Cambodian counterpart.

Greetings Updated

BK0601152491 Hanoi VNA in English 1448 GMT 6 Jan 91

[Text] Hanoi VNA January 6—Vietnamese party and state leaders today sent a message of greetings to their Cambodian counterparts on the 12th national day of Cambodia (Jan.7).

The message was addressed by Party General Secretary Nguyen Van Linh, State Council President Vo Chi Cong, Chairman of the Council of Ministers Do Muoi, and National Assembly Chairman Le Quang Dao, to Party General Secretary and State Council President Heng Samrin, National Assembly Chairman Chea Sim and Chairman of the Council of Ministers Hun Sen.

After praising the great achievements of the Cambodian people in the military, political and diplomatic fields over the past 12 years, the message says:

"The Vietnamese people highly value and fully support the correct stance and goodwill of the State of Cambodia in seeking a fair and reasonable political solution to the Cambodia problem on the basis of respecting the independence, sovereignty and the right to self-determination of the Cambodian people, in conformity with the United Nations Charter and with the aim to prevent the return to power of the genocidal regime in Cambodia.

"We are very glad to see the constant consolidation and development of the friendship, and the close cooperation in all fields between Vietnam and Cambodia over the past 12 years on the basis of equality and mutual trust. The Vietnamese people will do their utmost to protect and cultivate these loyal and pure relations and make them blooming and fruitful. The Vietnamese people consistently and resolutely support the just cause of the fraternal Cambodian people for a peaceful, independent, neutral and non-aligned Cambodia as well as for a peaceful, stable, friendly and cooperative Southeast Asia."

The message also wished the solidarity, friendship, and close and all-round cooperation between the two countries further consolidation and development.

Commentary Marks Celebration

BK0701070391 Hanoi Domestic Service in Vietnamese 0015 GMT 7 Jan 91

[Commentary by Duong Quang Minh: "Welcome the Fraternal Cambodian People's 12th National Day"]

[Text] Today, the fraternal people of Cambodia jubilantly celebrate their 12th glorious national day. This anniversary comes as a great joy for their constant, decade-long struggle of building a new peaceful, independent, and sovereign life, preserving human rights, and eternally eliminating the genocidal regime.

What the Cambodian people under the leadership of the People's Revolutionary Party and the State of Cambodia has outstandingly done, especially their great achievements of 1990, has attested to the Cambodian people's current position, in which it is like a crop grower preparing to harvest his fruits.

After one year of single-handedly coping with enemy sabotage activities, the position and stature of the Cambodian people have been reasserted and improved. All attempts by the genocidal force to carry out their land grabbing and to win control over people in the western part of the country following the withdrawal of Vietnamese Army volunteers have been stamped out. Their senseless ambition for weakening the revolutionary government is being shattered. More than that, they have suffered increasingly heavier casualties. Constant infighting among their ranks is also noted. Many have defected their ranks to return to the people and rebuild their lives. The Cambodian revolutionary administration has been unceasingly consolidated from the central down to the grass-roots levels. The all-people solidarity bloc has constantly expanded. Confidence in the new regime has become deep-rooted in the people's hearts.

In 1990, Cambodia succeeded in growing over 1.5 million hectares of rice and subsidiary food crops. Their grain output is now enough to meet domestic demand and there is also some surplus for export. Three other economic targets, namely rubber, timber, and aquatic products, were also fulfilled or overfulfilled. Illiteracy has basically been eradicated. One in every four Cambodians has been able to go to school. Religions have been respected and the people have had their religious freedom guaranteed.

Positive changes in international relations of the State of Cambodia resulting in a host of visitors, including statesmen and businessmen, from various ASEAN countries, West Europe, Japan, Australia, and even the United States coming to probe the prospects for cooperation and business with Cambodia have also attested to the steady progress of the State of Cambodia.

With its enthusiasm and high sense of responsibility toward the country, the State of Cambodia has effectively contributed to setting up the Supreme National Council of Cambodia also known as SNC at an informal meeting in Jakarta in mid-September 1990. Thus, the Tokyo joint statement between Chairman Hun Sen representing the State of Cambodia and Prince Sihanouk representing the Government of Democratic Kampuchea on the founding of the SNC in early June 1990 has been carried out. The SNC is a legal organ of power, representing the independence, sovereignty, and unification of Cambodia during the transitional period. The SNC will represent Cambodia in the area of foreign relations and will hold the Cambodian seat at the United Nations and other international organizations.

The Cambodian people know that the path toward achieving a true peace for the country is still beset with countless difficulties. Many opposition forces are trying to impose their will on the Cambodian people, including their attempts to eliminate the State of Cambodia and Cambodian Army. But the Cambodian people who once suffered from genocide and sacrificed dearly in their uprising against the genocidal regime and who have been and are concentrating their efforts on building and defending the new regime are determined not to bow down to any impositions.

The current government in Cambodia is one that has come into being since the 1981 free election. It is the sole administration that has protected revolutionary gains over the past decade. Therefore, maintaining the existing administration in Cambodia is a must and this should be linked with the survival of the Cambodian people.

The State of Cambodia has time and again reasserted that, pending the founding of a new government following a general election, the present administration must maintain its status quo so it can ensure political and public security and the peaceful life of the people. Dissolving the Phonom Penh administration before the general election will amount to attempting to pave the way for the Pol Pot clique to come back and kill more Cambodian people. All political solutions to the Cambodian issue must be selected in a disinterested manner and must be based on the principles of respect for Cambodia's independence and sovereignty and the UN Charter and elimination of the genocidal regime.

Greeting Cambodia's 12th national day, we share the fraternal Cambodian people's joy over what they have achieved so far. We wish the solidarity between Vietnam and Cambodia, as well as among Vietnam, Cambodia, and Laos, to continue to be constantly consolidated and developed for the sake of each country's national defense and development and in the interest of peace and social progress in Southeast Asia and the world over.

Burmese Charge d'Affaires Holds Reception

BK0501092091 Hanoi VNA in English 0705 GMT 5 Jan 91

[Text] Hanoi VNA Jan. 5—Charge d'Affaires A.I. [ad interim] Thaung Nyunt of Myanmar [Burma] and his wife gave a reception here yesterday evening on the occasion of the 43rd independence day of the Union of Myanmar.

Prominent among their Vietnamese guests were Phung Van Tuu, vice chairman of the National Assembly and Vu Khoan, deputy foreign minister.

Thaung Nyunt and Phung Van Tuu proposed toasts to the further consolidation and development of the friendly relations between the two countries.

Laws on Military Service, Officers Amended

BK0701150291 Hanoi VNA in English 1446 GMT 7 Jan 91

[Text] Hanoi VNA January 7—The military service term in peace time shall be two years for soldiers and non-commissioned officers, and three years for commanding non-commissioned officers, technical non-commissioned officers and soldiers trained by the Army, and non-commissioned officers and sailors serving on naval ships.

This is stipulated in the Law on Amendments and Supplements to the Law on Military Service adopted on December 21, 1990 at the Eighth Session of the National Assembly.

On the system of military rank, the Law on Amendments and Supplements to the Law on Officers, also passed the same day by the National Assembly, defines that field officers of the Vietnam People's Army now includes colonel, senior lieutenant colonel, lieutenant colonel and major.

Foreign Trade Bank Establishes Overseas Contacts

BK0701064791 Hanoi Domestic Service in Vietnamese 1430 GMT 6 Jan 91

[Text] The Vietnam Bank of Foreign Trade has established business relations with 22 other banks in various countries—such as West Germany, Singapore, Italy, and India—to support the development of trade relations. On that basis, the bank has opened additional accounts in dollars and Japanese yen in a number of countries to create favorable conditions for direct payment by various branches.

The Vietnam Bank of Foreign Trade has also maintained contacts or worked with various groups of private traders

coming from more than 10 countries to explore the possibility of doing business in Vietnam and created favorable conditions for them to understand clearly the new changes that have been effected by the bank itself.

Localities Continue Drive Against Corruption

BK0701104691 Hanoi Domestic Service in Vietnamese 0500 GMT 7 Jan 91

[Text] Implementing directive No. 135, many localities have combined the struggle against crimes with that of opposing economic violations. During the past week, the authorities dealt with 29 cases of corruption, embezzlement, law violations, irresponsibility, and misuse of authority that caused losses to the state valued at almost 1.5 billion dong.

The police forces in these localities investigated 22 corruption cases involving 33 people and confiscated assets worth about 405 million dong.

During the same period, the localities also filed reports to the organ of control proposing the prosecution of 30 accused of corruption.

Australia

Hawke: Services Alert to Possible Iraqi Terrorism

BK0801041091 Melbourne Overseas Service in English 0300 GMT 8 Jan 91

[Text] In line with American concerns, Australia's prime minister, Mr. Hawke, has said Australia's security services are alert to the possibility of Iraqi-inspired terrorism in Australia. Mr Hawke said Iraq's president, Saddam Husayn, could encourage acts of terrorism around the world. However, Mr. Hawke said he believes that the war would not break out in the Gulf; but, if it did, the allied air superiority would keep such a war relatively short.

Federal Opposition Predicts More Protest Rallies

BK0501081291 Melbourne Overseas Service in English 0500 GMT 5 Jan 91

[Text] The federal opposition has predicted that there would be more big rallies of protests against state and federal labor party governments. About 50,000 people marched in Melbourne yesterday calling for the resignation of the state government led by the labor premier, Mrs. Joan Kirner.

Speakers call for drastic changes in economic policy and also on the opposition parties to improve their performances. The acting federal opposition leader, Mr. Peter Reith, said the federal government must have a mini-budget immediately to reduce government expenditure. He said plans must also be made to implement long delayed microeconomic reforms to make Australia more competitive in world markets. The coordinator of yesterday's rally in Melbourne, Mrs. Gladys Gunther, said other cities were preparing similar rallies.

Fiji

Analysts: Fiji Facing New Political Instability

BK0601084891 Hong Kong AFP in English 0334 GMT 6 Dec 91

[By Davendra Sharma]

[Text] Suva, Jan 6 (AFP)—Fiji faces a repeat of 1987's political troubles despite a new constitution enshrining the dominance of ethnic Fijians, political analysts warned here.

They said Fiji could have a more unstable future than before 1987 under the 1990 constitution, which replaced the 1970 independence constitution guaranteeing the equality of ethnic Indians and Fijians.

Timoci Bavadra's elected coalition government was ousted by the military in a bloodless 1987 coup because it was perceived as being Indian-dominated. The constitution was abrogated after a second coup the same year.

Academics and politicans interviewed by Island Business magazine, published here Monday, say that although the new constitution guarantees a 10-seat majority to Fijians, the opposition Indian-dominated National Federation-Labour Party coalition stands a strong chance of returning to power.

Under the new constituion, Fijians are entitled to 37 seats in the single chamber parliament, with ethnic Indians receiving 27 and Polynesian Rotumans one, with five set aside for general electors—minority Chinese, part-Chinese, European, part-European and Pacific Islander communities.

"You cannot make all 37 Fijian members ministers," said Ropate Qalo, an outspoken analyst at the University of the South Pacific, where he is a fellow in development studies. "Some will feel they are better and should be ministers," he said. "You can have at the most 17 ministers and 20 will be left out and what will stop them from joining the others?

"Suppose an Indian party attracts three general electors and possibly 10 to 12 Fijians, it becomes a very dicey situation. It won't be stable. It will become more unstable than before 1987," Mr. Qalo told Island Business.

Fiji's old constitution, under which the coalition won in April 1987, provided 22 seats each to the Fijians and the Indians and eight to other races.

Former Indian opposition leader Jai Ram Reddy, who was the justice minister in the deposed government, said the coalition was working on a strategy to win all Indian seats and stands a fair chance of wining some Fijian seats. "The name of the game will be to go out there and try to win the hearts of the people," Mr. Reddy said. A politician since 1972, Mr. Reddy, who has an enormous Indian following, said the coalition is likely to change its current boycott stance and contest the general elections.

Irene Jai Narayan, the government's Indian affairs minister, said that while Fijian votes in elections planned for November are expected to be divided because of splinter groups, she does not anticipate an Indian party to emerge as winner. "If by any chance it does, there will be a repeat of 1987," she said, referring to the coups led by ethnic Fijian army officers.

Mr. Qalo argues that flaws in the new constitution stem from the seat allocation, in that seats are distributed along traditional lines, following the authority of village chiefs. "Traditional authority is a farce," he said. "In Fiji, we're moving backwards, it's the reverse of what's happening in other places.

"By virtue of the coups, they've attempted to mix legal or rational authority with traditional authority."

Mr. Qalo said that instead of bringing Fiji's chiefs to the forefront, they should be consigned to ceremonial roles "as in Japan, Britain and Europe."

Fiji's chiefs decided last July to launch a new political party to contest this year's elections. The formation of the party will be declared at the next meeting of the Great Council of Chiefs, due to convene in the first quarter in 1991.

But Mrs. Narayan said politics in Fiji had become fragmented after the coups and the initial defeat of the prime minister, Ratu Sir Kamisese Mara, at the April 1987 elections. "It is getting quite complicated these days," she said.

"There was a time when the Fijian Association (of Ratu Mara's Alliance Party) was quite strong and Fijians identified with it, but these days I just don't know what is happening."

The expected succession of Ratu Mara to the presidency, an office elevated out of ceremony into a powerful role under the new constitution, is expected to leave a vacuum in the Fijian political leadership, Mrs. Narayan said.

Papua New Guinea

Commercial Air Services Restored to Buka Island

BK0801055691 Hong Kong AFP in English 0458 GMT 8 Jan 91

[Text] Port Moresby, Jan 8 (AFP)—In the first major move to lift the eight month blockade of rebel Bougainville, the Papua New Guinea Government has ordered commercial air services to resume flights to Buka Island off Bougainville's northern tip.

Showing confidence that the secessionist Bougainville Revolutionary Army (BRA) had been flushed out of Buka, acting Prime Minister Ted Diro Monday directed Air Niugini and Talair to begin scheduled flights to the island.

Last May Port Moresby imposed a blockade on Bougainville and Buka when the BRA declared independence only two months after a tenuous ceasefire ended a 16-month conflict which claimed more than 80 lives.

Mr. Diro said a government force had been set up to co-ordinate and oversee the restoration of full government and commercial services to Buka, which the government retook in September causing 20 more deaths. The task force would be responsible for screening and clearing people who wanted to travel or send goods to Buka. The government would also provide shipping, banking and legal services to Buka and re-establish fuel, copra and cocoa depots to revive local industry, he said. Executives of the airline were "quite keen to assist" but still had to decide when they would resume services, he said. The government had guaranteed the airlines full protection and security during their flights to Buka, he said.

"If perceived necessary by the airlines we will also consider accepting responsibility for any damage that might be done by the Bougainville secessionist rebels.

"We will also provide insurance cover for the two airlines," he said.

Journalists taken to Buka last week reported life on the island of about 20,000 people was slowly returning to normal and all but a few BRA members had been chased off the island. A local force had been established to help government troops rid the island of the BRA, they said.

Namaliu Responds to Remarks on Devaluation of Kina

BK0701081691 Melbourne Overseas Service in English 0500 GMT 7 Jan 90

[Text] The prime minister of Papua New Guinea [PNG], Mr. Rabbie Namaliu, says there is no need for his government to engage in wider consultations on plans to devalue the country's currency—the kina. Mr. Namaliu said his government was capable of safeguarding the value of the kina without any outside influence. He was responding to a comment by the managing director of the government-owned PNG Banking Corporation, Sir McKerry Maratta, who has said the government had failed to consult him on plans to devalue the kina by 10 percent.

Solomon Islands

PNG Move To Lift Bougainville Embargo Welcomed

BK0701072491 Melbourne Overseas Service in English 0500 GMT 7 Jan 91

[Text] Solomon Islands has described the decision by the Papua New Guinea [PNG] Government to lift an embargo on goods and services to Bougainville Island as very encouraging. Solomon Islands Foreign Affairs and Trade Relations Minister Sir Peter Kenilorea says the decision is an encouraging start to attempts to resolve the crisis. But he says if the government of Papua New Guinea is serious about solving the island's problems, it will have to get back on to Bougainville and restore services there.

Sir Peter added that his ministry was seeking clarification on the implications of the lifting of the embargo. At the same time, the Catholic Church on Bougainville has praised churches in the Pacific region for their generosity in providing medical supplies to the people on the island.

The Catholic vicar-general of the dioceses of Bougainville, Father Mark Roberts, said without medical packages provided by Solomon Islands, Fiji, Australia, and New Zealand, thousands of Bougainvilleans would have died of disease.

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